

**The Development Corporation Model's Impact on Municipal Planning Policy,
Development Process and Standards:
The Calgary Municipal Land Corporation**

**By
Jillian Geen**

**A Thesis submitted to the Faculty of Graduate Studies of
The University of Manitoba
In partial fulfillment of the requirements of the degree of**

MASTER OF CITY PLANNING

**Department of City Planning
Faculty of Architecture
University of Manitoba
Winnipeg**

Copyright © Jillian Geen 2016

Abstract

The government land development corporation model works at ‘arm’s length’ from the public sector to manage development of public land assets. With the potential to create uplift in value and shape the built environment to achieve City objectives, many municipalities have established this model, yet there is a lack of study on their impact to the municipal planning and development process. This research presents a case study, including key informant interviews, of the Calgary Municipal Land Corporation’s (CMLC) management of the redevelopment of the East Village to identify lessons that may be application in other development projects. A list of themes for success and weakness informs discussion on how a government land development model can impact municipal planning policy, development process and standards. Half way into the project timeline, CMLC has achieved many of its objectives through a coordinated approach grounded in a strong vision set in a Master Plan. Active marketing and infrastructure upgrades that focused on connections established a renewed sense of place to a blighted neighborhood. CMLC benefits from being able to act in a nimble manner outside of the often-extended municipal decision-making structure. A broad mandate, control over budget decision, land ownership and authority to manage phasing provides efficiency in operations and confidence to investors, however public accountability remains a concern. CMLC introduces new avenues of collaboration and brings multiple disciplines together for risk sharing facilitating innovation in planning policy, practice and standards, that otherwise may have been lost in negotiation. Positioned at the interface between public and private, CMLC has found success in balancing interests and tensions through combining the strengths of each sector.

Keywords: Models of land development, Government Land Development Corporation, Municipal Development Corporation, Calgary Municipal Land Corporation, innovative policy, and alternative development standards

Acknowledgments

I would like to acknowledge the participants who were interviewed as part of this research. Thank you for sharing your insight and experience.

Thank you to my Advisor and Committee. Taking the time to review and provide comment to forward the education aspirations of a planner is appreciated more than I can express.

Thank you to my loving family and friends for their continued support.

Thank you to my classmates who might be the only other people who understand the compounding challenges to undertake research and write the 2011-2013 class Major Degree Project.

Table of Contents

Chapter 1: Introduction	1
1.1 Background	1
1.2 Research Problem.....	3
1.3 Research Questions	4
1.4 Importance of Study	4
1.5 Limitations and Assumptions.....	5
Chapter 2: Research Methods	8
2.1 Case Study Analysis.....	8
2.2 Literature Review	9
2.2.1 Primary Literature.....	9
2.2.2 Secondary Literature.....	9
2.2.3 Grey Literature	10
2.3 Key Informant Interviews	10
2.4 Working with Data	11
2.5 Ethics.....	12
Chapter 3: Literature Review	14
3.1 Public Sector Role in Land Development	14
3.1.1 The Federal Role in Public Land Development	15
3.1.2 The Provincial Role in Land Development	17
3.1.3 The Municipal Role in Land Development	18
3.2 Government Land Asset Management.....	20
3.2.1 The Need for Reform in Public Asset Management.....	21
3.2.2 Drivers of Asset Management Reform & Shift in Models of Land Development.....	23
3.3 Government Land Development Corporation.....	26
3.3.1 The Corporate Model.....	30
3.3.2 The Canadian Experience.....	34
3.4 Innovation in Policy Making and Implementation.....	36
3.4.1 Characteristics and Challenges of Innovation in Public Policy.....	38
3.4.2 Conclusion	45
3.5 Policy and Project Evaluation	47
3.5.1 Quantitative Evaluation of Development	48
3.5.2 Evaluation of Public-Private Partnerships	50
3.5.3 Public Policy Assessment.....	53

3.5.4 Assessing the Government Development Corporation Experience	54
3.5.5 Conclusions and Lessons Learned from Policy and Project Evaluation Review	60
3.6 Alternative Development Standards.....	61
3.6.1 Development Standards and the Need for Alternatives.....	61
3.6.2 Challenges to Establishing Alternative Development Standards	63
3.6.3 Conclusions	64
3.7 Conclusion and Implications for the Research.....	64
Chapter 4: Findings and Analysis	67
4.1 The Redevelopment of the East Village and CMLC.....	67
4.1.1 City of Calgary Context.....	67
4.1.2 CMLC’s Mission, Objectives and Actions.....	73
4.2 The CMLC Experience	76
4.2.1 CMLC’s Actions: Coordinated Approach.....	77
4.2.1.1 Master Plan and Vision.....	78
4.2.1.2 Connections and Placemaking.....	84
4.2.1.3 Mandate and City Objectives.....	87
4.2.2 CMLC’s Operations and Development Process.....	91
4.2.3 CMLC’s Governance.....	93
4.2.4 Political Leadership and Champion.....	95
4.2.5 CMLC’s Interactions and Partnerships	95
4.2.6 CMLC’s Impact and Innovation.....	100
4.2.6.1 Policy and Implementation Disconnect	101
4.2.6.2 Innovation in the City	104
4.2.6.3 Innovation in the Development Industry	105
4.2.6.4 Innovation with CMLC.....	106
4.2.6.5 Risk of Innovation.....	110
Chapter 5: Conclusions	113
5.1 Response to Research Questions and Lessons Learned	113
5.1.1 Research Question One	113
5.1.2 Research Question Two.....	115
5.1.3 Research Question Three.....	119
5.2 Other Considerations.....	120
5.3 Contributions to Theory and Research.....	121
5.4 Areas for Further Research	122

References	126
Appendices	131
Appendix A: East Village Development Parcels Map	131
Appendix B: Invitation Email and Project Information Sheet	132
Appendix C: Consent Form.....	135
Appendix D: CMLC’s General Organizational Structure.....	137
Appendix E: Images from the East Village.....	138

List of Tables

Table 1: Municipal Policy and Planning Documents	70-72
Table 2: Achievements in Meeting CMLC’s Guiding Principles.....	75-76

List of Figures

Figure 1: The City of Calgary’s East Village Location within the Rivers District.....	2
--	---

Chapter 1: Introduction

1.1 Background

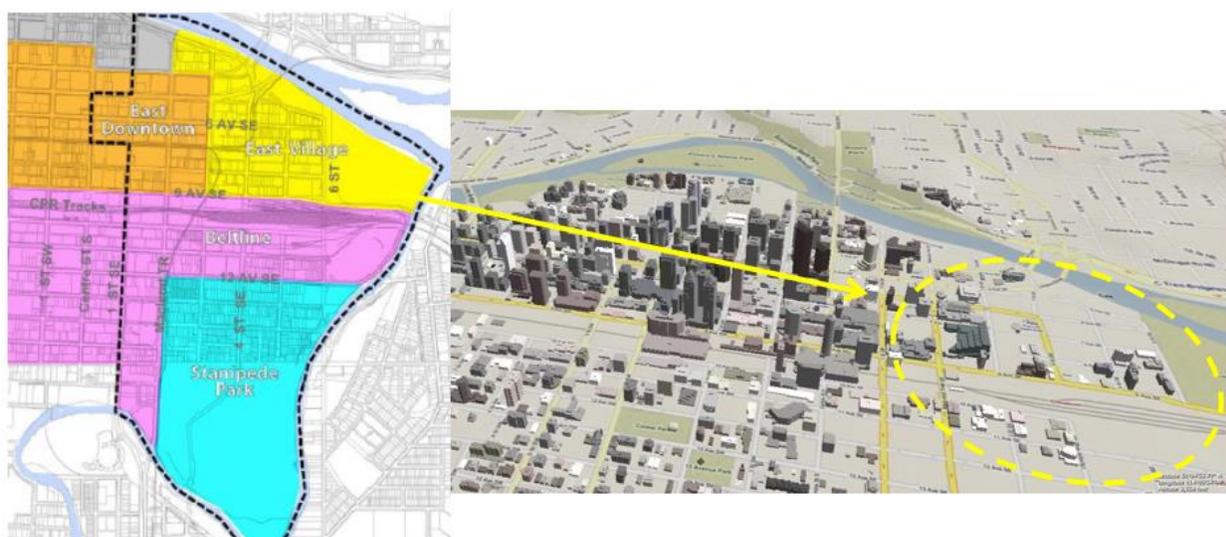
Government land development corporations are semi-private companies, operating at arm's length from the government, established to undertake development projects on government owned lands. The corporations are guided by a mandate, often focused on generating profits, but also combining social policy objectives. There is a lack of research and scholarly study on the impact government land development corporations have had on the development process and municipal policy despite the significant impact government-led redevelopment projects are having on the way strategic public land is being used and on the dynamic of having this new 'player', acting in the development process. This research establishes a framework, or list of themes for success and weakness, to inform discussion about the role of government land development corporations in the development process and takes a practical look into how this type of model can be used to promote innovation in municipal planning policy, development processes and standards. In this report, innovation not only refers to new ideas, actions, and policies, but also any change to, or replication of ideas, actions or policies that achieve improved outcomes. When the replication of existing practice in development planning is adjusted to meet local circumstances and has a positive impact, it is considered innovation. This research does not provide a quantifiable evaluation of innovation, it identifies changes that achieve objectives. A key research objective is to identify potentially transferable practices from this model of development corporation that might be applicable to other municipalities interested in specific development intervention delivered by a corporate structure rather than the typical municipal framework. The enhanced collaboration between public service and the private sectors facilitated by the development corporation model has facilitated the effective achievement of redevelopment goals and has promoted innovation in policy and in the development process. A case study of the Calgary Municipal Land Corporation's (CMLC) work in the East Village neighbourhood, presents some of the ways a municipal development corporation can act as an instrument for development promoting innovation, as well as identifies some of the lessons learned from the experiences thus far in the corporation's work.

The East Village is located at the east corner of Calgary's downtown just south of the Bow River. The neighbourhood made up the original downtown, however over the years attention shifted to the downtown business core and suburbs. In 1985 a new municipal building cut the

neighbourhood off from a main pedestrian corridor and isolated it from the rest of downtown leaving the area neglected (City of Calgary, 2010). The area declined as businesses closed and people left, leaving aged and inadequate infrastructure, the need for environmental remediation from past industrial usage and rising social concerns. Redevelopment has been a long-standing objective of the City with renewal planning attempts in the 1970s, 1980s, and 1990s (City of Calgary, 2010). In 2001, City Council approved the East Village Area Redevelopment Plan (ARP), yet even after the multi-year planning process taken to create the ARP, their remained major deterrents to attracting investment needed for development. A new political will within the 2005 Council pushed to amend the East Village Area Redevelopment Plan and the City began taking the action needed to upgrade infrastructure in effort to attract private investment back to the area that had not occurred without intervention (CMLC, 2013). Recognizing that the City budget would not be able to fund the extensive infrastructure upgrades required, the City worked with the Province to establish a new public financing mechanism - the Community Revitalization Levy. With a financing tool in place, CMLC was established to lead and implement the Revitalization Plan for the Rivers District.

Figure 1: The City of Calgary’s East Village Location within the Rivers District

The image on the left shows the Rivers District (within the black dotted line), which includes portions of four neighbourhoods: Stampede Park, the Beltline, East Downtown and the East Village. The image on the right highlights the built form, or lack thereof, in East Village when CMLC began their work (circled in oblique view) (City of Calgary, 2007a).



CMLC is a special purpose agency established in 2007 by the City of Calgary to lead and implement the Rivers District Community Revitalization Plan. CMLC is tasked with facilitating the reclamation and community redevelopment of the long neglected inner-city brownfield area of the East Village, within the Rivers District. CMLC operates as a private developer, however is ultimately accountable to the City of Calgary and its citizens. Working at arm's length from the local government, it offers an alternative model to manage the development process and guide inner-city redevelopment.

Through collaboration and partnerships between public and private actors the project has been pushing forward. CMLC has coordinated extensive infrastructure improvements, provided public recreational facilities and public realm enhancements, and increased connections to and across downtown. With significant portions of the infrastructure upgrades complete, private sector investment has begun to follow. An *East Village Development Parcels Map*, showing the parcels sold and available for sale by CMLC, as well as which parcels are privately held, as of February 2015, is provided in *Appendix A*. As proposals for development come forward, CMLC's presence establish a new actor in the development review and approval process. This research assesses how CMLC's actions impact the municipal planning process and policies.

1.2 Research Problem

In Canadian cities, land development has mainly been driven by the private sector, with government (municipal, provincial and federal) involvement focused on regulatory planning policies and sporadic social housing programs. However, there are certain cases where additional direct government involvement has occurred, such as if there is surplus public land, a particularly challenged property that requires additional coordination, or when a specific development objective becomes a priority for government stakeholders. One way governments have chosen to manage these types of initiatives is to establish a government land development corporation to act as a separate entity working to achieve the specific public mandate.

Tightened budgets, aging infrastructure and pressing social and environmental issues are driving municipalities to look for more ambitious responses to capture value, or to create an uplift in value of their assets through land development. As municipalities advance alternative models for land development, such as the government land development corporation, analysis to determine the actual and potential role for, benefits of, and challenges of employing this arm's length public development corporation to manage urban development is considered to be

important and timely. Through a case study of the City of Calgary's CMLC, established to carry out the River's District Revitalization Plan, some of the strengths and weaknesses of the development corporation can be identified. While specific to Calgary, the lessons learned can be relevant to other jurisdictions.

1.3 Research Questions

This research is focused around investigating and addressing the following three main research questions and their sub-questions:

1. How has CMLC operated as an alternative model for land development, as compared to the private sector model of development?
 - How do CMLC's roles and functions differ from those of the private sector model?
2. In what ways and to what extent have CMLC's plans and approach brought about better performance in achieving development goals and the City's long-term planning priorities?
 - To what extent do CMLC's objectives align with the City's?
 - In what ways has CMLC interacted with public and private actors, and what impact have these relationships had on achieving goals?
3. What new or innovative planning policy, processes and development standards are emerging through CMLC's work?
 - In what ways might the Calgary example inform how other government land corporations can influence innovation or change in planning processes?

1.4 Importance of Study

Maurice Strong, former Director General of the UN Environment Summit (1992) noted a well-recognized idea the "the battle for sustainability will clearly be won or lost in urban centre, where the majority of the world's population will live" (Witty, 2002, p. 5). Municipalities across Canada, and on an international scale, are looking for new ways to direct, fund and support more sustainable patterns of development. This can be seen through the significant increase for plans and policies on strategic growth and climate change initiatives that have been established over the past two decades. More research is needed regarding the implementation of sustainability

concepts into planning practice and how the practices can lead or fail to lead to action (Beatley, 1997; Beatley & Conroy, 2007; Berke 2002).

With increased financial, social and environmental pressures, addressing the issues of sustainable development is no longer an option but a necessity. As more governments move toward financial reform, decision-makers recognize the significant potential in their underutilized public land assets. This has led to experimenting with new models of land development and the recognition of the importance of the relationship between governments and corporations controlling public property (Kaganova and McKellar, 2006). By identifying the advantages and disadvantages of the government land development corporation model, governments can determine if this model would be advantageous to help promote new and innovative development policy, process or standards that lead to meeting sustainability goals.

The OECD Report (1996) shows that demonstration and pilot projects can display the practicality of innovation and calls for a broader sharing of cities' experiences. By presenting the successes and weaknesses of the CMLC experience it will provide guidance to ensure future projects managed under such models not only optimize the community value and the financial returns, but also use the role to promote better development and planning practices. This study adds to a very limited collection of scholarly information regarding Municipal development corporations and their impact on the municipal development review and approval processes.

The *CIP Statement of Commitment*, pledges members to apply planning practices that support "livable, sustainable, healthy, safe and welcoming places" (Plan Canada, 2010, p. 17). The organization's *Statement of Values* and *Code of Professional Practice* declares its commitment to plan for the needs for future generations. This research contributes to the knowledge needed to achieve CIP's goals.

1.5 Limitations and Assumptions

Due to the scope of this project, the research was limited to one specific example of a municipal land development corporation. This limits the breadth of the findings, however the analysis does offer a framework with which to assess other examples, as well as identifies lessons applicable to other municipalities interested in information on development models. An assessment of other examples of Municipal development corporations, and/or other variations of Public Land development corporations, would allow a comparative analysis providing additional context and enhancing the strength of the conclusions.

The literature review informing this study considered international examples. With limited academic research available, the examples found in Chapter 3 came from varied levels of government, were managed under different governmental structures, and were influenced by factors such as scope of project and socioeconomic situations, which all affect how accurately they can inform and compare to the CMLC case study. For this reason, along with the scope of this study, the option to conduct a comparative analysis was not ideal for this research project and excluded as part of the study.

As the findings are presented, it is essential to understand that the Calgary case investigated here is based on a “best case” scenario where political-will pushed for a project on a site considered ideal for the implementation of the Tax Incremental Financing tool. It should not be assumed that the overall success of this case study in achieving the project objectives is directly transferable to other locations. The research provides lessons to help municipalities determine the benefits and challenges of development corporations, as well as how to promote innovation in development policy, processes or standards, however each specific case must take local context and conditions into account when attempting to replicate the overall success of this type of model.

CMLC is well on its way with development in the East Village, however as the project has not yet reached completion, it is not possible to fully assess the effects of this model to bring about innovation and manage to the development process. The study is limited by what has been completed at the time of this research completed December 2016. As CMLC continues the model may evolve, the City’s priorities may change, the political climate may shift, and the development market may move which would each impact the Corporation’s ability to meet their objectives. The assumption that the past experience of CMLC will continue is a limitation of these research findings, and a limitation of assessing performance on any in-progress project.

Due to the scope and timeline of this study, the research sample size is limited to five participants. Participants who were interviewed were chosen from a variety of backgrounds and professions relevant to the research questions, however the small sample size provides only a narrow representation of perceptions of CMLC’s actions and impact. Participants’ job descriptions and involvement in the East Village redevelopment have shared objectives with CMLC. The analysis and use of these findings must take into account this bias, as each participant has a vested interest in the success of CMLC’s work. Additional interviews would

broaden the breadth of the conclusions as there are other roles with notable information or opinions who have been excluded. Additional participants from City departments not directly assigned to achieving shared goals with CMLC, CMLC Board of Directors, City Councillors, community, business, and development organizations, and other private developers would provide a more complete understanding of the relationships and impact of CMLC.

Chapter 2: Research Methods

To collect data for this qualitative research analysis, a case study, including a literature review and key informant interviews, was conducted. Although federally owned lands in a number of strategic locations have been redeveloped by the *Canada Lands Company* (CLC) using the government land development corporation model, and a number of Canadian municipalities have experimented with this type of model, little academic research on the impact of this kind of agent for municipal planning has been produced. A single case study of CMLC is a starting point for future investigation and assembly of information related to the use of a government land development corporation as a model that may be better able to promote innovation in planning policies and process, as well as in development standards. Other Canadian cities have lengthier history with development corporations, however CMLC was selected for this research due to the timely relevance of its work in the East Village; the use of innovation in its financing with the first use of TIF at this level in Canada; and the integration of CMLC's work with the City's wider development objectives. CMLC's work has specific ties to the City's planning and development with city-wide impact by a mandate incorporating City priorities, development of a large central urban location, and its partnering with major City project.

2.1 Case Study Analysis

Since pilot and demonstration projects tend to follow experimental and innovative agendas, they are ideal settings to study how improvement in planning process and policy comes about. When analysed, the projects can provide new lessons and encourage action in both the public and private realm (Beatley & Conroy, 2007). A case study approach allowed in-depth investigation of the specific project, with findings applicable beyond the case study setting. Case study research provides a contextual understanding and wide-ranging overview of the case. This includes historical context, overview of relevant municipal planning and policy documents, overview of the project's goals and objectives, and assessment of the planning process undertaken with key consideration to communication channels and procedural practices. This information is used as the baseline for assessing how effective the City initiated development corporation functions as a developer in its ability to achieve the set out goals and objectives, as well as a mechanism to bring about wider City regulation and policy changes.

This Case Study provides an overview of the project with a qualitative assessment of the CMLC's ability to achieve wider City objectives, as well as bring about innovation in policy, process and/or design. A quantitative analysis measuring sustainable indicators or targets is beyond the scope of this case and would not yet be available with the completion of CMLC's work in the East Village still years away.

2.2 Literature Review

A literature review was undertaken to establish a theoretical framework based on assumption for success and weaknesses on which models of government land development corporations and their ability to effectively change policy can be evaluated. The review revealed the research completed and provided important background information on the topic of interest (Gray, 2009). The review contributed to a more in-depth case study evaluation, informed the researcher's perspective and guided the interview questions by highlighting gaps in available information and in critical examination. Three types of literature were reviewed: Primary, Secondary and Grey. The main themes reviewed are the CMLC's history and operations, the government models of land development, government land development corporations (or urban development corporations), innovation in policy-making and delivery, policy and project evaluation, and alternative development standards.

2.2.1 Primary Literature

The primary literature reviewed include:

- Government planning and policy documents including municipal official plans, planning department reports to council, planning studies and any consultant reports found from a search on Calgary's municipal document website, general online search and received from key informants.
- CMLC's corporate reports, updates and press releases.

2.2.2 Secondary Literature

Academic journals were reviewed for literature on CMLC's history and projects. As this was limited, the search was widened to provide more general context of how government land development corporations at various levels of government, and in other countries. The search revealed examples at all levels of government in Canada, a number of corporations in the United

States, the United Kingdom, Singapore and the Caribbean. It also showed examples in South Korea, Johannesburg, and Kuwait.

2.2.3 Grey Literature

Newspaper articles and media publications can serve as an important source of information on public issues. Major newspapers report social, economic, fiscal and environmental issues that are dominant in a City and can provide insight into public opinion and community dynamics surrounding a project (Tomalty, 1997). Articles can also raise questions surrounding the larger city-wide interests which can reveal how a certain development may or may not reflect a City's vision.

Major Canadian newspapers were searched for articles relating to land development and planning, housing, transit, environmental concerns, and community organizations that may connect to the project or provide insight into the larger City impact of the project. The media analysis was not a major component of the research due to the opinion-natured perspectives represented in most media. However, newspapers have been included to provide a more comprehensive view of the information and opinions that exist relating to CMLC's work, as well as the possibility to reveal City priorities (those being political, business and/or resident).

2.3 Key Informant Interviews

Although limited by the sample size and scope of the research project, key informant interviews were chosen in an effort to incorporate a variety of perspectives from different stakeholders, both government and non-governmental actors, as per Noy (2007). Key informants, referred to as "participants" in the report, were selected based on their involvement with CMLC and their role in the development process within the East Village project as it is relevant to the research topic. Participants chosen were "willing and able to contribute to the understanding of the research problem" (Bui, 2009, p. 143). The key informants identified were contacted by email invitation to participate in an interview. Informants were interviewed using a semi-structured approach in order to obtain information on the key topics and themes related to the study while allowing those being interviewed the opportunity to bring up any areas they deem important or gaps they would like to contribute. The semi-structured method left room for participants to discuss their perceptions of situations and supplemented my own analysis done through the literature review (Zeisel, 2006). The interviewer was able to "remain open to new

and unforeseen phenomenon rather than imposing ready-made frameworks or categories” (Kvale, 1996, p. 32). A list of interview questions (an interview schedule) separated into topics and themes was created with the understanding that “simplicity, precision and neutrality” should be used to gather precise and informative data (Zeisel, 2006, p. 295). As much of the information on CMLC came from specialized websites or publications, additional information collected through interviews provided useful insight into the context of situations that may not have been discovered without the key informants (Gilchrist and Williams, 1999).

2.4 Working with Data

Participants were identified by online directories, through introductions by other participant, and by networking through development and planning industry events. The selection of participants was based on the organization they worked for, their experience with CMLC, as well as their experience with the development process. Participants were chosen who were thought to be able to provide a variety of perspectives while informing the research topic and answer the main research questions. Five interviews were conducted. A sixth potential interviewee contacted was unavailable to participate during the research timeline. Participants were professionals of various backgrounds. Two senior City of Calgary staff with backgrounds in municipal land use and policy planning were interviewed. One works directly with CMLC on policy review and development application processing. The other works indirectly with CMLC through Centre City initiatives, policy alignment review, and development application review. Two staff from CMLC were interviewed. One was senior level management with private sector consulting in land use planning, architecture, and design background. The other was a mid-level staff member with municipal land use planning and community building experience. One private developer was interviewed with wide experience in urban development and building in cities across Canada including residential and mixed-used buildings in Calgary. This participant had experience working with CMLC in the East Village through design, application approval and building processes.

The interviews ranged from forty-five to ninety minutes. Interviews were conducted face-to-face, either at the participant’s place of work or convenient coffee shop. All interviews were recorded by digital audio recorder and notes were taken by hand. Interviews were guided by an interview schedule. The interview schedule followed a set of questions relating to the research questions and followed a framework, or list of themes based on assumption for success and

weaknesses of government land development corporations identified in the literature review. The information collected was transcribed and the data coded and analysed to translate “the primary data from its raw forms into more conveniently analyzable and manageable forms” (Del Balso and Lewis, 1997, p. 256). The analysis process began with open coding where the information was searched to identify the main themes, key terms and patterns (Neuman, 2000, p. 420). The data was broadly categorized into four themes: a) CMLC’s objectives and functions, b) CMLC’s actions and ability to meet its goals and objections, c) Interactions, relationships and collaboration with partners and community stakeholders, and d) Influence on innovation of planning policies, development process and standards. Axial coding was next used “looking for linkages between causes and consequences” (Neuman, 2000, p. 423). Once the data was coded and themed, participants did not have the opportunity to review the findings. The combined analysis of the literature review and interview data produced patterns that connect the actions taken by or specific involvement of CMLC to the impact to policy, process or standards. This analysis revealed some of the benefits and weakness of the CMLC model of land development as well as key lessons learned further described in *Chapter 4* and *5* of this report.

During the collection and analysis of the data, the possibility of interviewer and participant bias must be taken into account. The interviewer is employed as a municipal planner and may approach topics from this predisposition. The participants may also bring bias based on their job descriptions working and sharing many goals with CMLC. Recognising participants’ job descriptions, shared goals for CMLC’s success, and professional background helped to identify where bias may exist and reduced its impact on the overall data analysis. However with a limited sample size, the findings show only a narrow representation of perspectives. This is a limitation of the findings that must be taken into account as assumptions are drawn from the data presented here. Given the scope and sample size limitations, this research should be used to supplement existing information or to build from for future research study.

2.5 Ethics

A main component of the research was to interview a variety of people selected based on the relevance of their professional experience with CMLC and the development process in the East Village. The interview participants chosen were not from a vulnerable group, nor did the questions pose ethical concern. Participants were identified and contacted by email requests for an interview. The email provided background information outlining the study and information

on the interview process (See *Appendix B*). The potential risk for participants is low, however risks and benefits were clearly evaluated and presented to the participants prior to the interviews. Before each interview, participants were briefed on the interview process, the general themes and topics of the questions, as well as read and signed the Consent Form (See *Appendix C*). Participants were explained that they may withdraw at any time or omit any questions, without giving reason.

The interviews were recorded and later transcribed, as well as notes were taken by hand. All notes and recording devices have been stored according to the University of Manitoba Research Ethics Board guidelines to ensure confidentiality. Each participant's identity remained confidential by removing names from all material and using a coding system where general job descriptions instead of job titles are used. There is some risk that with the small sample and with the group of individuals being from a similar industry base, recognition of who the participants are may occur. This risk was stated clearly in the consent form.

Chapter 3: Literature Review

A review of the existing research shows that although many government land development corporations have been established to manage various types of development projects, the approach has not been widely studied for its impact on planning processes or municipal land development implications. The next three sections below provide an overview of the published research directly related to government land development corporations and the context in which these corporations have become more common. Section *3.1 Public Sector Role in Land Development* provides background information on how government from all three tiers influences land development. Section *3.2 Government Land Asset management* describes the primary drivers of reform and shift of management model of public assets. Section *3.3 Government Land development Corporation: The Corporate Model* provides a review of the history and research completed on government land development corporations, providing details on the ‘Corporate Model’ style of management used. This section ends with an overview of the Canadian experience with government land development Corporations. These three sections are supplemented by the findings of literature reviews on the main themes being studied in this research. Section *3.4 Innovation in Policy Making and Implementation* covers the key characteristics and challenges of spurring innovation in public policy. Section *3.5 Policy and Project Evaluation* looks at relevant ways and means of evaluation. Section *3.6 Alternative Development Standards* explores the need and challenges to advance alternative standards of development. The conclusions and analysis found in this review informed the development of a theoretical framework on which CMLC’s actions and outcomes were evaluated, as well as highlighted the existing and missing gap in available information on this type of development management approach.

3.1 Public Sector Role in Land Development

This section discusses the roles, responsibilities and experience each level of government, federal, provincial, and municipal, both in relation to development of public lands as well as privately owned land. This discussion informs the CMLC Case Study by providing insights into to how each level has shaped the urban landscape through their own policies and objectives. A deeper understanding of the complex political relationships, the hierarchy of control, the approval processes and how these are all interconnected within each level of government helps

set the framework of the environment in which CMLC must navigate to undertake its work in the East Village.

3.1.1 The Federal Role in Public Land Development

The federal and provincial crown controls 89% of all land in Canada (Government of Canada, 2011). The management of the land is primarily the responsibility of the provinces, with Federal responsibilities limited to land used for the Government of Canada's operations and to lands of public domain such as the territories, offshore interests and land held under the Indian Act (Government of Canada, 2011). The Federal Bureau of Real Property Management was established in 1986 as the department to manage Crown lands. The *Federal Real Property and Federal Immovables Act* sets the regulations for "the acquisition, administration and disposition of real property and immovable by the Government of Canada" (Government of Canada, 2011, taken from: *Federal Real Property and Federal Immovables Act* (S.C. 1991, c. 50)). Real property includes the lands, buildings and structures above and below the surface. A Treasury Board, under the *Financial Administration Act*, is responsible for matters relating to the management and development of these lands, with the exception of the lands designated to the control of Canada Lands as defined by the *Canada Lands Surveys Act*. The department's Treasury Board works to manage real property assets to protect its value and ensure the delivery of federal programs to Canadians (Government of Canada, 2011).

Since the brief period 1971-1979 when the Ministry of State of Urban Affairs operated, subsequent federal governments have not directly exerted authority over urban affairs (Horak & Young, 2012). Any connection the federal government has to city area of policy or services goes through the provincial governments. On the political level, there are fairly weak federal-local links as the federal parties in Canada tend to group based on regional priorities and do not often connect to the municipal political systems (Tomalty, 1997). Although federal land holdings occupy a significant amount of urban space there has been little attempt for direct federal intervention in municipal development patterns or growth strategies. Federal policies' main impact on planning and development has been in an indirect manner through policies such as immigration or free trade, or by their influence over federal infrastructure and lands (railways, airports and harbours) and joint funding for the infrastructure works program (Tomalty, 1997). One of the more direct way in which the federal government has influenced urban form in cities is related to housing programs through the activities of the Canada Mortgage and Housing

Corporation (CMHC). CMHC is a government-owned corporation that, in relation to city planning, has the main function of promoting home ownership, supporting social housing options, housing rehabilitation, research on affordable housing and sustainable community design, and encouraging regulatory reform that creates more dense residential forms (Tomalty, 1997). CMHC has been involved with specific federal initiatives helping with redevelopment projects such as the Winnipeg Core Area Initiative, Vancouver's Granville Island redevelopment and Harbour front in Toronto. These initiatives combined housing funding and programs from all three levels of government to address social, economic and physical urban concerns.

Another way the federal government has influenced urban land development is through their more recent trend of their property divestment. Led by the political shift to the right in the 1980s, and carrying through the 1990s with the Federal Real Property Act of 1992, there was a push to "modernize the government's property management practices, and to adopt the practices of conveyance commonly found in the private sector" (Ircha & Young, 2013, p. 7). This directed an assessment of the federal public lands, a change to the way assets are managed and in turn a large divestment of public lands. The main federally owned lands are waterfront areas and harbours, airports and rail related lands. In 1995 the federal Crown Corporation, *Canada Lands Company* (CLC) was created with the task of divesting surplus federal lands and properties to provide maximum value back to the government. CLC is managed at arms lengths from the public sector and is self-financing with profits returned to the federal government. Initially surplus land was purely sold for the optimal value of land, however in the past two decades the CLC has incorporated a value-added function by developing selected lands prior to selling properties. This increases profit probabilities, as well as offers an effort to revitalize and reintegrate the, often centrally located, lands into the local communities. CLC's neighbourhood designs have received certification of LEED ND (Leadership in Energy and Environmental Design for Neighbourhood Development) Gold in Edmonton's Village Greisbach, Garrison Crossing in Chilliwack, B.C., and Garrison Woods in Calgary, Alberta. It has also had some challenges and disappointing outcomes where the mandate to maximize financial returns has been found to overshadow community values (Ircha & Young, 2013).

In two situations specific public interests led CLC to create subsidiary corporations that report directly to Parliament to help facilitate the development process with multilevel governance issues and a complexity of interest groups' concerns. The two examples are Parc

Downsview Park Inc. in Toronto and Old Port of Montreal Corporation Inc. in Montreal. This new actor in the land developing business adds an additional level of complexity to the usual developer-City relationship and negotiations as CLC lands are technically outside of municipal or provincial jurisdiction changing the balance of control and power. The federal government is not bound by provincial or municipal legislation, such as land use regulations, and therefore must regulate through self-imposed rules (Kaganova & McKellar, 2006). In the future, as this method of federal intervention and influence on the development of urban land expands, additional research and analysis is required determine appropriate rules of engagement in order to avoid additional conflicting priorities and a power struggle that ultimately negatively impacts the wellbeing of surrounding communities.

3.1.2 The Provincial Role in Land Development

In Canada, the constitutional division of powers gives jurisdiction over municipal institutions and local matters exclusively to the provinces. Provincial influence in urban development is mainly through the direct involvement in infrastructure investment, through decisions on how to allocate funding, and through the establishment of regional and provincial land use policies that set the frameworks regulating municipal planning. Some provinces have also pushed strategic regional planning initiatives in various forms of policy instruments and planning institutions.

Although provincial governments hold constitutional control over municipalities, the degree of control exerted, and the legal and administrative relationship between provinces and municipalities differ by province. In Ontario, the province has used a broad range of policy instruments intervening directly in planning decisions on major transportation and sewage investment and retaining power to evaluate and approve major municipal planning decisions and plans. In Alberta, British Columbia and Quebec, the provincial authorities make key transportation, transit, and agricultural land preservation planning decisions, however municipalities have much more autonomy over local planning decisions (Tomalty, 1997). In general provincial policies and controls influence land development through growth management strategies in transportation infrastructure planning and policies promoting increased efficiency of use and reduction of need to extend municipal services.

In Canada, more than 60 percent of land is owned, regulated and managed by the provincial governments (Government of Canada, 2011). This public land accommodates uses

such as recreation, agriculture, development and transportation of natural resources, utilities, habitat conservation and protection of watersheds and biological diversity. The use of public land has changed over the years with population growth in centre next to open public land creating a demand for more land to be made available for settlement. The increased use of public land, for both settlement and also growth in natural resource development, has resulted in fragmentation and loss of habitat (Government of Alberta, 2007). Many provinces have been challenged to balance local demands with wider regional objectives.

Tomalty's (1997) report on how three large Canadian cities are dealing with growth management and urban development found that the cities all encountered similar issues dealing with economic, fiscal, environmental and social concerns, however each municipality prioritized the issues differently. It was found that provincial policy efforts and priority areas had a strong effect on those of municipalities (Tomalty, 1997). All three provincial governments expressed policy interests towards directing more compact urban form but used different strategies to influence municipal planning. In BC and Quebec provincial governments have aligned their transportation and transit planning towards more sustainable practices but made little attempt to directly influence municipal planning policies. Ontario has taken a more top-down approach with Toronto's planning regime by directly intervening in transportation and sewer investments, establishing a planning regime through the Office for the Greater Toronto Area, and has established its role in their official plan review process. All three of Tomalty's case studies show the recognition that transportation and transit efficiency are threatened by land use decisions and therefore provincial interests are directly involved. Each City has developed regional transportation plans using "a consultative provincial-municipal framework" (Tomalty, 1997, p. ix).

3.1.3 The Municipal Role in Land Development

Unlike the federal and provincial governments' jurisdictions that are defined under the Constitutional Act of 1982, municipalities operate as a statutory government body under provincial authority. Municipalities have been granted certain rights, responsibilities and powers, including authority over most areas of local privately owned land development through legislation. Municipalities however must adhere to provincial and regional overarching land-use policies and regulations. Municipalities control local development approval processes, they

direct development and land use through municipal plans and bylaws, and issues development permits.

The societal change moving from the post-industrial era has created a number of changes to municipal land use. Municipalities across the country are looking to meet changing transportation and housing demands, maximize the use of existing infrastructure and direct growth where service needs can be met in a fiscally sustainable manner. There are also a number of former industrial lands, or brownfield sites, that are being cleaned up to provide land for new residential, commercial and recreational spaces. Most Canadian municipalities have adopted policies or are looking to amend policies to encourage higher density housing options such as smaller-lot greenfield development, secondary suites, and infill development within existing neighbourhoods, as well as call for strategically planning development along transit corridors to maximize public transit (Ircha & Young, 2013). The use of municipal land for social housing managed through municipal Housing Corporations has also been seen in many municipalities (Tomalty, 1997). The reliance of provincial authority has been less influential when looking at urban development and managing growth in terms of housing policies (Tomalty, 1997). Housing policies at the municipal level have tended to react to the changing local demographic, economic, and fiscal conditions, rather than provincial policy pressures (Tomalty, 1997).

The significant amount of federal and provincially owned public land within municipalities has created complicated intergovernmental relationships and involvement of the community. The use of these lands have provided benefits to host municipalities such as public servant and other related jobs contributing to local economy, and federal service locations that can raise the attractiveness of an area for economic development (Ircha & Young, 2013). However, the lack of municipal legal jurisdiction in such areas has led to conflicts related to following local regulations and a disconnection to local needs or priorities. An example of federal actors disregarding municipal planning rules is the early development of telecommunication towers. Communications Canada overlooked local by-laws for permit requirements claiming telecommunications are of national interests and supersede local regulations. After municipal concerns were raised across the country the federal governments now consults local authorities to accommodate these types of permits, however this is not a mandatory step (Ircha & Young, 2013). Another example is the 'payments in lieu of taxes' that federal governments provide to municipalities from property taxes. The federal level collects these taxes and the federal minister

has the discretion to set the amount given to municipalities. Municipalities do not get the full assessments that they would if allowed to collect their own property taxes. This has been debated and legally questioned, however a 2012 Supreme Court decision has left the authority to the federal level (Ircha & Young, 2013).

Municipal government assesses local needs, determines local objectives, set their land-use policies and spend significantly on infrastructure and social programs, however has restricted decision-making power as they are directed by a provincial framework, reflecting national perspectives. The lack of coordination of strategic plans and planning policies between the levels of government is one of the main barriers to effectively directing development and population growth (Tomalty, 1997). Since the early 1990s, there has been a trend for federal and provincial governments to reduce their responsibilities by downloading infrastructure responsibilities to the municipal level (OECD, 1996). Although the municipal level may be better able to determine, plan for and allocate resources to local needs, this trend has not necessarily come with the corresponding financial support or transfer of decision-making rights. There needs a greater coordination of public investment, federal and provincial transfers, and strategic planning in order to meet wider development goals and local needs.

3.2 Government Land Asset Management

“Public property is a very understudied field of public policy, especially as it concerns the various levels of government and municipal government in particular” (Ircha & Young, 2013, p. vii). With the trend of all levels of government departments to increasingly divest of surplus facilities and land, the interest in land use decisions has increased, and the relations and partnerships between the levels of government, private actors and the public has changed. Public policy makers have had to look to create and incorporate innovative forms of governance mechanism as they experiment with the new patterns of property management and development while trying to maximize potential benefits. Policies have been shaped through the process of intergovernmental negotiations, as well as by the demands and needs of various social forces and organized interest (Ircha & Young, 2013). The review on government land development corporations revealed that there has been a push for the management of public assets to be improved. The need for reform in this area of management is one of the reasons for experimenting with the government land development corporation as a model to guide land

development. The next section provides a summary of government land asset management and describes the primary drivers of reform.

3.2.1 The Need for Reform in Public Asset Management

Governments own a large amount of real property, including settled and unsettled land, and infrastructure facilities. Public property assets have significant benefits for governments as they often provide financing for government operations, can be used to leverage borrowing and are essential to most public service delivery. The management of these assets requires decision-making and procedures on how to most efficiently operate these properties. Property asset management is the “process of decision-making and implementation relating to the acquisition, use, and disposition of real property” (Kaganova & McKellar, 2006, p. 2). Public asset management functions in a similar manner to private organizations holding a mixed portfolio of real properties. Public property managers judge economic efficiencies and comparative advantages in order to determine how to manage, when to hold or when to sell property, however the process is complicated by the number of different institutions involved in the actual decision-making and implementation (Kaganova & McKellar, 2006). Public property management is undertaken by number of jurisdictions and is separated into different bureaucratic levels of policies and procedures. It can be difficult to determine when the public sector can offer the most efficient operations or when the private sector may be able to provide better management opportunities through partnership or complete control of property assets.

There are a number of common problems that can be identified in government asset management. One of these issues is the lack of a central policy framework, which is needed to provide those making the decision with a clear process and understanding of how to govern the acquisition and disposition of real property. With a lack of government-wide framework the management of public property assets becomes fragmented with many different departments and agencies involved in decision-making. Saint-Martin (1998) writes about the challenges of fragmentation based on Canadian historical institutionalism which has decreased efficiency and created coordination and implementation difficulties in relation to the evolution of asset management (Saint-Martin, 1998).

Both the physical underutilization and the economic inefficiencies of public assets come from the lack of proper accounting of asset costs and the idea that assets are a ‘free good’ (Kaganova & McKellar, 2006). When property assets are not subject to the same economic

rationalization as would be in the private sector, it is difficult to measure value or program performance when the real cost of holding an asset, the cost of maintenance, or the opportunity cost are rarely accurately accounted for. For many years governments have tended to hold on to underutilized property with little incentive to reuse or dispose of assets as the true costs of holding them was not shown in accounting reports. Examples of this are found in almost every country such as vacant military facilities and old industrial land. This situation not only forgoes potential revenues from leasing or disposing of the asset but can also incur expenses for maintenance. For example, the US Department of Defense has estimated that it paid \$3 to \$4 billion for the maintenance of unused facilities in the early 2000s (Kaganova & McKellar, 2006).

The political and social motivations against enhanced market-driven decision-making over public property have had some impact on the lack of efficient asset use, however it is the lack of information needed for proper portfolio management and decisions that is a larger underlying factor. In the United States there was no reliable government information on federally held property, even in 2002 (Kaganova & McKellar, 2006). Beyond the lack of information, there is also a lack of transparency and accountability in many government real estate and land development transactions. The lack of reliable financial information along with a highly political process has allowed for real property transactions to lag behind other government reforms (Kaganova & McKellar, 2006).

Over the last decade, the need to re-examine the management of public property management has become an increasingly important priority at all levels of government (Saint-Martin, 1998, p.533). With world market and economic constraints, tight budgets, increased pressure for social and health services, and aging infrastructure maintenance requirements, governments are searching for way to protect and enhance public wealth and have begun to recognize the potential to improve efficient management of their property assets. Through property management reform, a number of governments are finding increased economic efficiency (Kaganova & McKellar, 2006). At the national level the need for reform has been seen as the US General Accounting Office declared federal property management to be a “high risk” area in January 2003, and their General Service Administration has undertaken studies on Canadian reform practices (Kaganova & McKellar, 2006). France, Russian and China have each taken steps of institutional reform since the 1990s. In the past decade many countries have requested technical assistance from international organizations on the issue of public asset

reform (Kaganova & McKellar, 2006). At the local level, the need for reform has been even more widespread as national decentralization initiatives have left many municipal and regional governments with large property portfolios “almost overnight” (Kaganova & McKellar, 2006, p5). Local governments have not always been prepared to deal with the issues of managing this land (Kaganova & McKellar, 2006).

3.2.2 Drivers of Asset Management Reform & Shift in Models of Land Development

Many factors have contributed to the push for new property asset management practices and changes in models of governance for land development. Although the context differs in each circumstance, a few common drivers include a shift in political ideology and public administration styles, the impact of globalization, changing financial demands and accounting practices, and private sector influences are discussed in the following section.

- a. Paradigm Shift in Political Ideology:** In the 1980s there was a shift from the Keynesian based interventionist land use planning to a focus on the free market and neoliberal influence of redirecting the public sectors roles using decreasing government interventions (Sterrett, Murtagh & Millar, 2005). The trend of neoliberalist thought has led to a shift in the role of the state through increased popularity of privatisation, reduced social services, deregulation of financial and labour controls, and market-oriented management practices in the public sector (Dobman, 2008). With “the redirection of public investment away from collective services and the transfer of service provisioning to the private sector”, there has been a restructuring of strategies for urban development (Schneider & Susser, 2003, p. 4). Public sector planning functions have shifted and new governance regimes have emerged bringing together public and private actors to partner in urban development projects.

- b. Shift in Public Administration Style:** The economic recession and substantial government deficits experienced since the 1980ies led to cuts in various public sector operations. A shift in thinking about how public services should be delivered moved from inputs and processes to a new focus on performance and results. This ideas of employing private sector approaches to establish market conditions for public service delivery ushered in the ‘New Public Management’ model (Ircha & Young, 2013; Saint-

Martin, 1998). This model promotes greater efficiency and effectiveness of government administration with initiatives that include the decentralization of service responsibilities; delegation to specialized agencies, private and non-profit organizations; separation of policymaking and service delivery functions; greater accountability and transparency in government operations; performance monitoring and incentives to economic performance efficiency and cost recovery; and an overall reduced role of the public sector in the economy (Ircha & Young, 2013).

Over the past two decades, public administration operations have been heavily influenced by the New Public Management model (Ircha & Young, 2013). Public land management is directly influenced as government operations and services are increasingly contracted to the private sector and private-sector management approaches and values are applied in how public property is developed. This model led to the creation of specialized agencies to manage surplus public properties. There have been success reported in efficiency and cost recovery with this model, however the core business and private sector values promoted in the model has been criticised for running counter to the traditional democratic values (Ircha & Young, 2013). Under this model, the public service's responsibility to accountability, fairness, and responsiveness has been questioned asking whether different values have been introduced that have led to private interests superseding those of the public (Ircha & Young, 2013).

- c. **Globalization and Finances:** Globalization has increased the ease and amount of global trade, investment, information and people moving across borders. These changes have all influenced policy making for every level of government (Ircha & Young, 2013). The pressure of international competition for economic growth has raised concerns of government deficits and has led to public service cuts as well as shifting services down levels of government. With increased budget constraints there has been an increased recognition of the large amount of public wealth in public property assets, as well as the cost to manage those assets. As the potential financial benefits of better asset management are revealed, governments are taking note. Land assets are especially important as the government often controls the allocation of development rights because it controls the construction of public infrastructure. Land

can be a means for managed capital appreciation as governments build infrastructure services which add value to the newly opened land (Ircha & Young, 2013). When land is publicly owned, infrastructure projects on that land can be funded by its value appreciation and subsequent land sales from the added value brought by providing infrastructure services.

At a local level, where the ability to raise revenues is often limited to property taxes, the use and/or sale of public property is one way governments can supplement their budgets. Municipalities have started to look to alternatives to the traditional function of supplying only the amount of property needed for public services and then claiming it as a capital expense at the time of acquisition (Kaganova & McKellar, 2006). There is now more room for local authorities to compare cost of ownership and leasing options, as well as how the private sector could improve economic value for capital projects. Municipalities are more often considering privatization of property as a way to reduce operating expenses and receive sale revenues (Kaganova & McKellar, 2006).

- d. Accounting Reforms:** Along with the public administration changes over the past two decades, there has also been a public finance move to accrual accounting and standard accounting principles. The system provides a clearer picture of how property costs and values are measured over time. Traditionally in Canada and the United States, the governments' budgets did not accurately show the value of capital assets. Canada, reported all fixed assets with a nominal value of \$1.00 on its balance sheet (Kaganova & McKellar, 2006). Capital assets are written off at the end of the year and value added or lost is not accounted for in the annual budgets. By not including this measure in the local balance sheet, it implies that property assets are not a productive form of asset to the government. These assets are seen as "free goods" and users treat them as so. When accounted for, real property assets are often measured at book value not market value. With a push for more accurate account managing there may be more market value assessments being accounted for. With aging infrastructure and maintenance issues found in many countries this type of accounting could present many property assets as public liabilities (Kaganova & McKellar, 2006). Critics state that it

does not make sense to attach a market value to a property that is public by nature of its use, such as a national park, and that such accounting is skewed by placing this type of value on the balance sheet (Kaganova & McKellar, 2006). The valuation measurement can also be costly to keep updated and may not be reliable since there might not be market comparable properties to establish as standards.

- e. **Private Sector Influence:** With more real estate professionals working in the public property management field there has been a transfer of the private sector's principles. A review of, what is now thought of as 'best practices' in public asset management, shows that the majority of them have been exported from private sector experts and organizations (Kaganova & McKellar, 2006).

In Canada, like many place around the world, governments have been influenced by shifts in political objectives and desire to reform the management of their land. The common drivers listed above have contributed to a search and experimentation with new models of land development in efforts to maximize the value of public assets.

3.3 Government Land Development Corporation

Throughout the world, it is the government as a public entity who control the regulatory context for most of the land and build infrastructure in their countries. The government takes responsibility for providing local infrastructure services within their jurisdictions such as roads, water and sewage, and many social services. It is the government who also takes responsibility for urban development, land use and economic development. How the land holdings and built-up properties are managed and used falls under a system of governmental asset management and with a push for reform new models of public land development have become more common. There are three general institutional models of how government land property assets are organized: by specific government departments; by a government-established land development company or a special purpose corporation (corporate model); or by an agreement or partnership with an actor in the private sector (Public-private partnership) (Kaganova, 2011).

For the goal of this research relating to CMLC's work, the section below focuses on the Corporate Model. There does not seem to be a standard or general approach to this type of models and there is a lack of academic information on the subject (Kaganova, 2011). With the

increased use of this type of practice there is a need for enhanced knowledge exchange across borders and a greater focus by planners to ensure that this model allows for achieving the government's objectives. In Canada, the corporate model has been used for government asset management at all levels of governments. At the municipal level, examples include the Calgary Municipal Lands Corporation and the Ottawa Community Lands development corporation. A provincial example is the Partnerships British Columbia. And at the federal level Canada Lands Company is the corporation.

When a government land development agency uses the corporate model, it can take a variety of forms. The agency can work closely with the governments and resemble a department. Some of the earlier examples in the US took this form. Californian State law on redevelopment agencies enacted in 1961 gave rise to a number of agencies that would technically be considered corporations however they were operated as a government department administering federal grant programs (Dodman, 2008 & Kaganova, 2011). Another example is the Sabah Urban Development Corporation, formed in Malaysia in 1972, to take responsibility of government land development. During the 1980s, both the USA and UK's neo-liberal political philosophies brought a shift in urban policy to reduce state intervention and bring the private sector in as the main actor of urban change (Adams & Hastings, 2001). During this time, a number of urban development corporations were formed with the mandate to bring revitalization and acted as "both planners and developers in specific areas, without having to go through the usual processes of planning approval" (Dodman, 2008, p36). The UK, strongly influenced by the Thatcher ideology, has had the most experience with development corporations. Starting with two agencies established under the *Local Government, Planning and Land Act* in 1980, and continuing to see this type of mechanism used in renewal efforts with eleven more created by 1993 (Imrie & Thomas, 1999). These earlier versions of the urban development corporations operated largely without restraint, being allocated many planning controls. In many cases this facilitated successful physical regeneration and investment attraction to blighted areas with fragmented land ownership (Sterrett, Murtagh & Millar, 2005). However, they have been criticized for their displacement effects, as well as poor record of community development, public consultation, collaboration with local governmental planning authorities, equity, democracy, and transparency (Dodman, 2008; Sterrett et al. 2005; Lawless, 1988; Shaw, 1995). In certain cases, development corporations have also distorted development and housing

markets, put public money at risk, and provided a public subsidy to facilitate private development goals (Sterrett et al. 2005).

More recently examples of these agencies have had a greater degree of separation from the government acting more as a private companies operating under the commercial code. The corporations are created through legislation with law that establish their general mandate, powers and usually very specific functions, obligations and reporting requirements (McKellar, 2006). Unlike a private corporation, the government is the sole shareholder. However, private sector actors tend to make up a significant part of the core governance of these organizations with specifically appointed or recruited industry experts to provide direction and management to the corporation. Although there is a greater degree of independence from the government, the company remains responsible to many public stakeholders and is politically accountable to the public. The agency runs operations as a private business actor independent from the procedures and policies that usually apply to government workings. This allows the efficiencies of the private sector to help overcome the typical government operational challenges of outdated practices and bureaucratic management, lack of accountability and lack of oversight (Dodman, 2008; McKellar, 2006). It can allow the various processes to move faster with enhanced flexibility while attracting private sector experts to bring insight and experience that may not be brought into the discussion in the public sector (Kaganova, 2011). This type of corporation can facilitate private and public sector relationships and negotiations that would be difficult or inappropriate for government departments. The arm's length position is suited to deal with contentious activities, investment decision, and multi-sector collaboration or joint ventures by providing market-based interventions and business approaches (OECD/ Mountford, 2009). The corporate model also increases efficiency with higher incentives to be cost-effective, provide financial measures of performance and earn profits through investment of public monies in land assets (McKellar, 2006). The corporate directive can strive for financial profits but also to support social interests by incorporating affordable housing, environmentally sustainable designs and stimulates economic development.

To increase accountability and connect to the democratic decision-making of public operations, the newer generations of the urban development corporations seem to view the local community as playing a more central role in the planning development process. They include public participation practices and are more likely to work with local communities to determine

not only what appropriate land use is but what type of development would meet local needs (Sterrett, Murtagh & Millar, 2005). They can target projects for specific objectives such as regeneration of a declining area or promote environmental and sustainable neighbourhood designs.

The corporate model can allow for better long-term planning and management by protecting strategic lands from being victim of rash decisions driven by the electoral cycle political trends. Examples of public land asset sales during fiscal downturns can be seen in many countries resulting in long term losses for the taxpayers of the country (Kaganova, 2011). Acting at an arm's length position allows greater agility and flexibility than if the government was to take on the tasks in house. Through a government land development corporation, underused government land can be more effectively managed to facilitate specific development objectives of government shareholders. Surplus or challenged properties can be better addressed in effort to capture value or create uplift in value through development providing revenue back to the government. The corporations can pay corporate taxes or fees in lieu of taxes and dividends to the stockholding government. Having a land corporation can decrease political conflict of interest in relation to being a regulator of lands and being a developer (Kaganova, 2011). The land corporation can act more freely as a developer to negotiate changes to land use parameter such as zoning regulations and can strategically assemble land areas for redevelopment.

A risk of using the corporate model for land development comes into play when government corporations influence and distort the market. Questions of equity and use of public money that leads to private subsidies must be taken into account. Placing public money at risk, or to subsidize private interests, are significant downfalls of the development corporation model. The negative effects of this can be seen in countries where the corporation holds a monopoly on land supply or housing supply. Examples include an oversupply of housing in South Korea that led to a government liability and burden on public finances, and Singapore's over-regulation of land supply leading to high real estate prices (Kaganova, 2011). There is also a risk that the real costs of the corporate activities are underestimated. When public land is taken control of, or purchased by the corporation, costs may not be based on true market values and thus hiding a public subsidy (Kaganova, 2011). The Calgary Municipal Land Corporation has benefitted from such calculations (Kaganova, 2011).

3.3.1 The Corporate Model

A case study report on seven established government land development corporations by Kaganova (2011) shows the variations and similarities among practices. The characteristics analyzed are: objectives and functions; property ownership; financial arrangements; private sector involvement; governance and management; and accountability and transparency.

- a. Objectives and Functions:** Some government land development corporations have been given specific objectives on specific types or area of property. For example the CLC's mandate is to maximize the value of surplus government owned property and CMLC is tasked with revitalization in the City's Rivers District. Other land corporations have been given more broad objectives such as the Korea Land Corporation's goal of "using public land efficiently to improve quality of life, promote economic development, and stabilize housing" (Kaganova, 2011). The study found that all of the corporations included social goals in their mandates stating "achieving financial and profit targets is never a single or even main objective of such companies" (Kaganova, 2011, p. 7). All showed that some extent of community engagement was attempted, that environmental concerns, including the use of sustainable development principles, are taken into account, and quality and quantity of rental housing was a concern. Supporting economic development is also always an objective of the corporations, however how success is measured varies (Dodman, 2005; Kaganova, 2001).
- b. Property Ownership:** Some urban development corporations own land but others are only responsible for managing, developing and selling land that is owned by other government entities. For example, the CLC owns the land it develops as it purchases surplus government property from the Crown. CMLC and Ottawa Community Lands Development Corporation also both own the land. The Johannesburg Property Company is an example where the City itself owns the land, not the company.
- c. Financial Arrangements:** Some government land corporations are self-sufficient through revenues gained from their ventures. Some use a mix of their own revenues and funding from the government. There are also examples of corporations that borrow

from commercial lenders or governments for additional funding. Using a variation of the funding mechanism of tax increment financing (TIF), the City of Calgary lent CMLC funds, which are anticipated to be repaid through future revenues from dedicated property tax and land sales. The CLC borrows from private lenders to support its developments.

Various financial mechanisms can be established to fund the work of urban development corporations. Economic enterprise zones are often established for areas with negative investment and higher levels of unemployment. Industrial, rail and waterfront districts that no longer have an economic base are examples of such areas. The zones define an area where companies are giving tax breaks for several years and/or benefit from relaxed planning regulations. These type of regulations tend to be top-down strategies to local economic development which have seen mixed reviews and “often fail to build a solid base for future economic growth” (OECD, 1996, p131). Creating a Tax-Free Income area can respond more to local demand and when coordinated correctly represents bottom-up strategies. This type of financial policy instrument can encourage experimentation with innovations as it is area-based, set to specific outcomes and goals over a limited time period, open to a high degree of community and private-sector participation, and is an opportunity to modify existing planning standards and regulations (OECD, 1996).

How profits are spent varies, as specific rules are not always set out. The CLC and the URA in Singapore use their profits to fund operations but also contributes to the government’s general budgets and pay taxes or fees in lieu of taxes. Some corporations make contributions to other special purpose funds for government operations outside of the land corporation. Pure financial profit is not always the main objective for urban development corporations, as the financial model in each case depends on the end goals. Some of the corporations sell land at discount prices or they choose a private partner because of specific social mandates. The desire to provide land for affordable housing, for environmental conservation, for local economic development, or for the higher priced bidder each requires a different finance model. Models using below-market pricing of lands in effort to achieve a social aim can create market distortions and in the end may not lead to the initial goal (Kaganova, 2011). In Kuwait, for

example, federal land in an underused industrial area was leased at a subsidized price in effort to stimulate production and development. Many tenants informally sublet to small entrepreneurs for the market-value and it is estimated that the government lost 1.52 percent annually of their GDP from 1976-2001 due to this policy and market shifting of revenues (Kaganova, 2011). Government goals of redevelopment should not replace the role or drive of the market. It should use policy interventions that improve the environment that would be created if left to the market. Planning does not control the market, it applies its influence to the development process through the resources that it can attract and the relationships it can foster between government staff, landowners, developers and the many other stakeholders (Adams, 1994).

- d. Private Sector Involvement:** Most land corporations have private sector involvement in some form. The governance structure typically included private sector actors to provide guidance and expertise. Some examples show that private services are hired out for specific portions of the project on more of a consultant-type of hiring basis. Others, use a public-private partnership model to finance and deliver certain services (Kaganova, 2011). Canadian corporations have used a form of public-private partnerships where private partners are chosen through a Request for Proposal and then the land is sold to the chosen developers.

The ability to attract and pay experts in the subjects related to the corporation's operations is critical. The corporations must be able to compete with the private sectors of development if they are to succeed in meeting their objectives. There must be a professionalization of management with high quality information management (Kaganova, 2011).

- e. Governance and Management:** The degree of separation between development corporations and government varies, however the corporation is always classified as a separate entity operating under special legislation and corporate laws. The development corporation does not represents a withdrawal of state from urban development but a new form of state involvement. It acts as an agent of neoliberalisation as it connects neoliberal policies to other political and social

phenomena that are context specific (Castree, 2003). The term neoliberalisation is used where the focus is on the process and patterns of change rather than the traditional end state of economic development of neoliberalism (Peck & Tickell, 2002). In relations to land development there is increased intervention to the “selective transfer of state capacities upwards, downwards, and sideways” shifting to “partnership-based forms of governance” and changing the relationships between, and of, actors (Jessop, 2002, p. 454). The model of urban development corporation can combine the neoliberalist economic goals with those of building social capacity for the wider wellbeing of a community addressing social equity (Dobman, 2008).

The older generation of urban development corporation of the 1980s operated freely with limited government restraint or public sector partners. As the urban policy agenda changed, the question arises if the new wave of corporations that are under much more public scrutiny and allocated less planning controls will be able to deliver infrastructure and amenities, as well as work with local actors to provide housing and jobs (Kaganova, 2011). The new forms of these corporations show a paradigm shift in urban policy implementation and outlook. The new governance model focuses on establishing inclusive practices into governance arrangements using participatory practices, including new partnership, to deliver planning policy. Today, the examples from around the world show that the corporations report to a ministry or City Council and are managed by a government appointed Board of Directors who are private business and industry experts (Kaganova, 2011).

A review of the UK and the Caribbean experiences, where urban land corporations tend to have high levels of local planning autonomy, shows the need for more collaboration between the corporation and the local planning authorities and public (Dodman, 2005). The main objectives of every project should take into account of the wider City’s sustainable development planning objectives, as well as include opportunities for public participation.

- f. Accountability and Transparency:** Although the urban development corporation works and acts beyond the traditional boundaries of a government agency, it is still accountable to the tax payer and must serve the public interest. A Board of Directors is

responsible for overseeing management however the risks, both political and financial, ultimately fall on the government (McKellar, 2006). The Board members are not agents of the government and act independently for the best interest of the corporation, but they are appointed by the government and most have publicly available annual reports and financial statements, as well as information on the Board of Directors and meeting minutes (Kaganova, 2011). In Canada, public officials are not permitted on federal crown corporation Boards. Rules for provincial and municipal urban development corporation Boards vary on the topic, for example the Ontario provincial government prohibits members of Cabinet to be involved in management, whereas the City of Calgary allows its Mayor to hold a Board seat (McKellar, 2006).

Understanding the risk of reduced accountability to residents must remain a top priority with the new role of these quasi- government organization (Dodman, 2005). The current international experiences show that urban development corporations “strive for transparency”, however in practice the level of openness varies (Kaganova, 2011, p. 6). The Canadian corporations examined were rated as having the highest transparency publishing most government documents, annual reports and audits, information on business transactions and other operating information, such as compensation of Board Members online. Community consultation on planning issues and about local land use is another important aspect of transparency noted as being undertaken in an open manner with the Canadian corporations (Kaganova, 2011). Any analysis on development corporations must take into account the accountability of their actions to the public well-being.

3.3.2 The Canadian Experience

The government land development corporation has been established to serve a number of functions in Canada over the years. Early on these entities constituted Crown corporations and served public purposes in areas such as transportation, mail delivery, utility provisions, financial services and museum administration (McKellar, 2006). Legislation, either from a special act of Parliament or the Canadian Business Corporation Act, establishes a specific mandate or sets the powers of each corporation. A board of directors is in charge of managing the corporation.

The first Crown Corporation was established in 1941 when government intervention was high after the Second World War (McKellar, 2006). With the popularity of government

involvement in the economy decreasing, some of the Crown corporations were sold, entire or partially, to private shareholders and today are less common than they once were. Compared to many countries government ownership and intervention in Canada remains high (McKellar, 2006). In 2006, there were 43 Crown corporations and three wholly owned subsidiaries of these corporations (McKellar, 2006). Canada Lands Company Limited (CLC) is the only federal Crown Corporation that deals directly with property asset management. A number of provinces and municipalities have established government land corporations and yet information is lacking (McKellar, 2006). Although each corporation is quite different, they are all established based on the belief that that service could be more efficiently delivered for a lower cost when private sector approaches were used (McKellar, 2006).

The provinces of Ontario, British Columbia and Saskatchewan have created some form of special purpose corporation to deal with property asset management (McKellar, 2006). The Ontario Realty Corporation and the British Columbia Building Corporation continue to function, however the Saskatchewan Property Management Corporation was dismantled in 2005. These three corporations show that despite having a Board, the responsible minister is held accountable. By comparing the three corporations it can be seen that each one was forced to adapt due to a change in the political climate and the government's financial concerns, and were not necessarily a reflection of the efficiency of the delivery model. The provincial level seemed to be moving away from the use of special purpose corporations, however this may be due to the decentralization push moving property asset management toward municipal responsibility (McKellar, 2006). A number of Provincial partnerships with municipalities and/or private actors have been established such as CentrePort in Winnipeg, Manitoba and Nova Scotia's Waterfront Development.

Many municipalities have had experience with the government land development corporation through the federally formed agencies directing the use of federally owned public land within municipalities. The significant amount of land, as well as the often centrally, or strategically desirable located sites within already developed City areas has made municipal interaction and involvement in the development of these lands essential. Municipal experiences with these agencies show complicated intergovernmental relationships with varying level of collaboration and coordination of City objectives. There are a number of examples of municipal land development corporations more recently, and it appears that cities are beginning to

experiment with various models of land management and development more and more. CMLC is one example that will be explored further in the Case Study of this Report. Another example is the CentreVenture development corporation created in 1999 in Winnipeg, Manitoba. The Corporation's objective is to revitalize the downtown. It has authority to assemble land, lobby for policy change, and provide incentives to stimulate housing construction through loans and tax credits. To date, the Corporation has successfully used limited public funds to leverage private investment in residential development in downtown Winnipeg. It has also lobbied and achieved zoning and bylaw changes supporting concepts of compact urban form and mixed used in the down town area (CMHC, 2004). Other examples include Toronto's Port Lands Authority and Guelph, Ontario has begun the process of establishing a municipal development corporation, having their Council approval as recently as 2014.

3.4 Innovation in Policy Making and Implementation

The following section provides a general explanation about innovation in the public policy making and delivery processes. The main characteristics and challenges found throughout the literature relative to policy innovation are highlighted with the associated conclusion discussed at the end of the section. The literature often refers to "innovation" as new or amended policies that have not been tried before, and at the time of implementation had few or no previous examples to predict success (OECD, 1996). This report refers to innovation not only as new ideas, actions, or policies that have not been tried before, but also as any change or application of an existing idea, specific action or policy to a new setting that leads to more effective decision-making or problem solving. When improved outcomes come from the replication of existing examples of development planning practices adjusted for different local circumstance, these practices are considered forms of innovation. Innovation is used in this report in a more general form to imply improvement or change of application.

Urban policy planning is the management of urban change "concerned with making an incremental impact on national as well as local policies affecting the quality of urban services and the rate and distribution of urban growth" (Rondinelli, 2007, p. 14). It is a complex process involving the analysis, intervention, and management of policies directly related to urban change. Policy planning should influence the on-going direction of policy making as well as evaluate and strive to better organize existing policy design (Rondinelli, 2007).

Despite the increasing role of municipal government in public policy making and implementation, there is a lack of information on the process of how public policy in Canada is made at the municipal level (Horak & Young, 2012). The complex problems and opportunities that fall on a municipality require policy responses that are tailored to local conditions, yet often exceed the capacity or jurisdiction of local agents. With policy resolutions beyond the capability of one actor or authority, multiple policy actors, both governmental and private need to coordinate their efforts (McCann & Ward, 2010). Although policy initiatives are impacted by a complex list of causal factors ranging from ideology to resource availability and even by the skill level of politicians, there are some common features that can help ensure more successful public policy processes and support innovative policy development.

Friedmann (1969) suggests that planners should strive “to undertake the courageous and systematic evaluation of societal performance and to identify the strategic points for massive innovation in the guidance of the system” (Friedmann, 1969, p. 316). As Planners take on increased roles to influence urban policy and more responsibility to implement policy measures directing spatial growth in a sustainable manner, there will also be an increased need for further study into innovative policy delivery to ensure local public needs are being met. Innovative policies can change the roles and responsibilities of governments, alter the policy making process and provide integrated solutions to multi-sectoral problems.

Landry and Bianchini (1995) argue that both creativity and innovation related to urban policy is an important but underused resource for City governments. The process of producing new ideas uses creativity, while innovation is the process by which the ideas are implemented. People from different disciplines need to collaborate to find a common language in order to think more holistically and develop “the capacity to rewrite rules; to be unconventional; to visualise future scenarios; to discover common threads amidst the seemingly chaotic and disparate; and to look at situations laterally and with flexibility” (Landry & Bianchini, 1995, p. 55). Government has not harnessed the potential of creativity and innovation, whereas the private sector tends to base their actions around these skills (Landry & Bianchini, 1995). The capacity needed to produce and apply new policy requires more integration and multi-sectoral team work with enhanced specialization than in the past, as urban policies must integrate and combine social, environmental and economic objectives. Public policy involves working to bring different interests together and build common perceptions. The multi-dimensional approach needed to

address this challenge tends to lead policy makers to use a mix of instruments to achieve their objective. Policies need to generate multiple benefits and as the priorities of short term goals can quickly change in the urban setting, they must be flexible and able to adapt depending on the desired outcome. In an effort to overcome the complex political decision-making forums, public policy is created “to bring about improvements in functional leadership, and to generate new state-society linkages, conditions, and governance mechanisms associate with policy innovation and enhanced outcomes” (Ircha & Young, 2013, p. 91).

After evaluating the American experience with federal urban and regional development policy, Rondinelli (2007) recognizes a similar need for additional research into mechanisms of policy formulation, stating a need for planning professionals to develop skills and knowledge to analyze policy alternatives, undertake techniques of intervention in the policy making process, and better understand the impact of policy implementation. There should be additional emphasis on “the nature of policy innovation, mobilization and utilization of policy-influencing resources, or the management of political conflict necessary to achieve social change in urban areas” (Rondinelli, 2007, p. 14). Rondinelli stresses the importance of leadership, advocacy, the ability to mobilize resources, find commonalities between multiple interests and manage coalitions to policy planning. The strategic analysis of urban problems, the ability to identify opportunities costs, as well as policy performance evaluation are necessary skills to master for policy planning.

A case study on innovative policies from 1993-1995, completed by the OECD Group on Urban Affairs, assessed how innovated policies have or have not succeeded at the government level. Their analysis was focused on strategies for City environmental policy, however the findings directly relate to land use development and show how public policies on different problems (social, environmental and economic) are linked.

3.4.1 Characteristics and Challenges of Innovation in Public Policy

The following section highlights the main characteristics and challenges found in the OECD case study, and are supplemented by similar findings of the literature study that need to be taken into account when pursuing innovative policy-making and implementation.

- a. Cost and Risk:** One of the main challenges for policymakers to implement innovative initiatives is the ability to reduce the financial risk associated with change. A change to “business as usual” increases unknown variables and risks which makes private and

public investment difficult to defend. Risk perception in property development decisions is one aspect that needs to be better understood and balanced in order attract investment to innovation. Government can remove obstacles to private-sector initiatives by reducing and/or sharing the risk associated with innovation.

With public sector spending under tight financial constraint and scrutiny, innovation and creativity can be limited, even when it has been shown in many projects to provide more cost effective solutions (OECD, 1996). Over the past decade, with an enhanced focus on the financial sustainability of cities, increased awareness and understanding of lifecycle costs has exposed the weaknesses in current costing and pricing mechanisms (OECD, 1996). This has contributed to the push for progressive thinking and proactive action needed to find cost savings not only in the short term, but overall for the long term. Government can also save money by co-ordinating land-use planning to utilise public participation in ways to promote research and innovation. For example, the Canberra, Australia, Jerrabonbera Valley Competition to design a public area following environment sustainability principles cost the City only \$50,000 for prizes instead of the approximate \$1.2 million it would have cost to hire consultants and professionals to design a similar project. It also had the bonus of promoting public awareness of a number of the City priorities and green initiatives (OECD, 1996).

The costs and risks of innovation are small in relation to the risk of not changing policies. “The record of innovation demonstrates that cities and national governments that risk change also reap the benefits of change” (OECD, 1996, p21). The mind-set in the public sector has been shaped where “activities must be conducted in a highly bureaucratic environment that is seldom an incubator for progressive or unorthodox ideas and strategies. Bureaucrats inherently tend to discourage ingenuity and risk taking by rewarding conformity and procedural compliance rather than providing incentives for productivity and results.” (Kaganova & McKellar, 2006). By identifying regulations and fiscal measures that inhibit new planning and land development initiatives, governments can better position themselves to establish alternative policies and promote innovative development measures.

b. Multi-Sectoral Collaboration: Land use planning and urban development has become more complex requiring a combination of policy instruments including financial, regulatory and strategic planning. These policies span all levels of government as well as have direct impacts on the private sector. In order to implement innovative policy and achieve the desired goals, policy makers have found more success when multi-disciplinary teams, or multiple approaches are used together (OECD, 1996). The Canadian National Overview Report, 1994, finds that sectoral specialization and the separation of political boundaries create challenges to better policy development. The multi-sectoral system can create duplication, gaps between planning, design and implementation, as well as a lack of trust between levels of government and non-governmental actors (FCM, 1994). When problem solving occurs in collaboration with all levels of government and private actors using an open democratic process, the focus can remain on a more comprehensive picture. When there is a divided focus between sectors, the single problem-single solution approach tends to bring “poor economic, social and environmental outcomes in cities” (OECD, 1996, p. 52). Governments, at all levels, should be looking to the innovation occurring at the local private sector level in their evaluation of alternatives. They can identify the local private sector priorities to collaboratively establish and implement policy that may advance innovation that already has resources dedicated to it.

Policy-making is inherently political where decisions tend to follow a socio-political process rather than by a deliberative choice. Transferring ideas and changing policy negotiations between many actors, including politicians, planners, interest groups and the public can become complex (McCann & Ward, 2010, p. 182). Policy processes have evolved from “inter-organizational conflict” and can be difficult to plan in a comprehensive manner with actors bringing diverse priorities, values, goals and interpretations (Rondilleni, 2007). Goals vary based on a changing political climate, which creates numerous potential alternatives and makes policy implementation and success dependent by large part on the policymaking group’s political influence.

The structure in which policy is established includes public and private sectors in a complex system using both formal and informal allocation of responsibility and control. Power resources are fragmented where regulatory control, approval powers,

and influence over decisions fall on different groups. The interaction between the groups is complicated as each one “pursues its own perceptions of its interests and its own conception of the public interest” (Rondilleni, 2007, p. 15). The private sector experiences similar policy inefficiencies and fragmented control, as Boards are generally composed of local special interest groups, civic and service organizations, and government officials.

In Canada, the division of powers and the ability to tax at different levels of government directly affects how policies are formed and implemented. Municipalities set their land-use policies and spend significantly on infrastructure and social programs, however it is the provincial and federal governments who allocate funding for municipal actions through programs reflecting national perspectives. This highlights the fact that a challenge to innovative policy-making and implementation includes the need to create a shared approach to problem solving between the different government bodies. New relationships and new agreements need to be formed between national and local governments to overcome traditional political boundaries. Partnerships between government levels provides the potential to harness local political ability for action while maintaining the larger Strategic Plan (OECD, 1996). Pursuing agreed upon objectives through enhanced collaboration mechanisms including agreements, creating city charters, and open communication, allows the levels to complement each other’s work instead of duplicating or hindering it (OECD, 1996). Tomalty finds that those cities operating under special provincial charters, such as that of Vancouver and Montreal, has allowed for “significant policy innovation” (Tomalty, 1997, p. ix).

- c. **Integrated Objectives:** Separating policy development based on specific issues diminishes the understanding of the connection between the many aspects of urban development. For example, air quality is closely related to land use and transportation planning and requires a coordinated effort, often beyond jurisdiction boundaries. Institutional fragmentation exists with City governments divided into departments with relatively narrow missions, budgets and constituency (OECD, 1996). In order to provide a holistic evaluation and approach to sustainable development there needs to be a more integrated organization of the issues. When investment in transportation,

infrastructure and urban planning are not well coordinated there is a waste of resources and innovation in policy and design is stifled. For example, institutional fragmentation has been cited as one reason road building has traditionally been prioritized over public transportation in Norway, with many other countries following this tendency (OECD, 1996). Another example is seen when looking at the desire for economic growth and development which does not always account for the longer term issues of equity, social cohesion or environmental protection. When development is not integrated with social needs, environmental sustainability and the long term financial health of a community, growth can increase the disparity between rich and poor, over-extend infrastructure and be detrimental to the ecological make-up of a region (Robson, 1988). OECD reports that a number of regions that experienced rapid development growth and were considered to be “revitalized” in the early 1990s had not re-established local markets, and reported a greater income divide, increase in unemployment in poorer areas, decrease in social housing and increase in commuting times (OECD, 1996).

- d. Strategic Planning:** Strategic planning for cities’ urban development can be a holistic, participatory, high-level approach to set a vision for the longer-term plan of urban regions. The Plan sets out principles and strategies setting the direction for future policy. It has mainly been the responsibility of provincial, regional or municipal levels of government, however the OECD (1996) reports that national governments around the world have become increasingly involved in efforts to establish strategic policy plans. Setting a Strategic Plan can minimize duplication and overlapping roles in government departments allowing each to focus of their specific role in the development process (OECD, 1996). It can also help streamline statutory frameworks between governments that can often become complicated with many levels regulating each. There is, however, the risk that the prescriptive method of planning using long-range comprehensive plans to design ideal outcomes can get lost when translating into policy decisions made by politicians and administrators. Policy planners should identify components of urban problems which are more manageable and calculable for more responsive local policy interpretation (Rondilleni, 2007).

- e. **Balancing Short Term Priorities and Long Term Vision:** The tension between short term policy objectives and the longer term vision can be a barrier to innovation as it confuses the overall priorities and adds to the complexity of land use development questions. Due to the nature of political cycles and the changing priorities that come along with this, policies are often designed to meet short term political goals that appease specific constituents. This can push aside the need to integrate future longer term needs. Using approaches such as scenario building, strategic vision making and simulation techniques have been successful for setting long term goals while increasing chances for shorter term implementation (OECD, 1996). Scenarios and simulation include mapping out a range of alternative options to produce a visual that can more easily be understood by a diverse group of people. Using visualization techniques to create the longer term vision allows people to look beyond the immediate and open their minds to different possible future possibilities. A vision making process can help identify the values of a community, which tend to transcend the shorter term political goals (OECD, 1996).
- f. **Evaluation:** Policies need to be designed, implemented and evaluated in a manner that will be effective over many years as well as cover the unpredictable nature of land development markets. The policies affecting the built form and land use now will have to meet the needs of people 20 to 50 years from now. Due to short term priorities that often follow political cycles, there is a lack of sound implementation on longer range visions and a considerable lag between the introduction of new policies and their effects. This makes it challenging to evaluate policies and their impacts (OECD, 1996). Local government staff are responsible for implementation, and private sector players are often the first to be directly impacted by the policies, yet, these actors are rarely the ones responsible for the evaluation process. The lack of better evaluation tools within government policy making process creates hurdles for the private sector and uses municipal resources inefficiently.

Indicators to measure the effects of a policy need to be designed based upon local environments and the specific policy objectives. The indicators used should be statistical in nature requiring precise description and evaluation by the people affected

by the policy to ensure a more complete measurement of success. Quantitative data related to policy evaluation is often interpreted in a subjective manner where preconceived interests and ideological predispositions influence the program assessment more than the statistics and facts (OECD, 1996). With policy analysis tending to be based on subjective interpretation, it can be difficult to adequately review results in any systematic method or determine policy alternatives. Indicators alone do not capture how problems are addressed in an integrated manner, however when created with purpose, indicators can open the discussion and introduce new thinking around a problem (OECD, 1996).

In order for effective evaluation of policy, there is a need for enhanced information collection and assessment. With enhanced methods of obtaining, using and circulating information, Governments can promote innovation by improving their data collection and reporting systems, as well as by using comparable indicators (OECD, 1996). New information systems, including Geographic Information System (GIS), can be very useful and are often not utilised to their full potential. However, if not analysed correctly can merely be statistical in nature, not showing whether or how a policy or community addresses its problems.

- g. Public Participation and Education:** The resistance to innovation can be rooted in the values and beliefs of communities. The short term thinking that places individual interests above those of community, along with the general social resistance to rapid change, places enormous pressure on policy makers and inhibits policy innovation (OECD, 1996). Communities are less willing make changes or accept restrictions now when they are not directly influenced or cannot directly identify the cause of an issue. Government need to understand the concerns of the public in order to target information about specific policies, while at the same time harnessing the expertise in those communities to push for new ideas that may better suit the local needs (OECD, 1996). Consultation and engagement can show communities some of the underlying problems that exist and reinforce the desirability of change. Participation can be the key to acceptance and ownership of change. It can bring stakeholders together and build consensus.

Attempting to govern the multitude of issues needed to be coordinated for sustainable development in an open and inclusive way can be a significant challenge. It could be argued that such complex problems require a centralized governing structure to provide high level planning that can meet the larger population's needs. "The piecemeal process of urban growth produced by a mixture of market forces and very localised political pressures seems likely to be less efficient and equitable than a balanced plan for urban growth" (Self, 1993, p. 128). On the other hand, without the knowledge of the local system, budget, and operations, the centralised system lacks the ability for policy implementation and would be less efficient at policy integration than a local governmental body (OECD, 1996). With a more decentralized system, local government can enable participation and better anticipate unmet needs, however the short term political goals and economic desires tend to influence the priorities. Another concern is that a more democratic process, requiring a degree of consensus, acceptance, accountability and transparency, has decreased the chance for innovation to be proposed (OECD, 1996). The additional participation also tends to require more resources slowing decision-making and taking away from the opportunity for staff to stray from what is known. Both centralised and decentralised structures can compromise innovation to policy. Self (1993), suggests that a more centralized structure needs to cooperate with local authorities in order to establish strategic planning initiatives, ensure the policy outcomes can be integrated within the local policy framework and be implemented. The important point is that policy matches the local circumstances. McCann and Ward (2010) report that successful policy 'transfer' must include lessons tailored to specific concerns of the local setting (McCann & Ward, 2010, p. 179). With either structure, it should be an open system rather than closed which is more conducive to innovation. Using a transparent and participatory process enhances coordination between actors and provides a sense of shared purpose that can lead to political commitment needed to confirm resources.

3.4.2 Conclusion

The main characteristics and challenges found to pursuing innovative policy making and implementation provide a background and understanding of specific actions and areas of concerns to compare to the CMLC experience. The review shows tensions arise in policy

development which hinder a move towards innovative ideas, including the lack of understanding costs and risks; the lack of multi-level government and multi-sectoral collaboration; balancing competing objectives; short political priorities challenging broader visions; the lack of evaluation standards; and the deficiency in the role of public participation. Recognizing and better understanding these barriers help to provide a basis to overcome them.

A few key conclusions can be made from the findings. An emphasis on relationship building and collaboration between governments, private actors and the public is important to bring about innovation in policy. The most successful practices incorporate a broad cross-sectoral group of advice, highlight public participation and education, and include a wide perspective of the interconnected nature of urban matters. It has been shown that agreement and consensus building approaches have more success than centralised legislative authority, where the use of regulation alone does not often provide the long-term commitment or flexibility needed for the complex changing circumstances of urban life. Policy makers need to understand what sources of information private stakeholders use to form opinion about development investment and have better measures to evaluate the impact of new policies. This can be used to determine perceived risks and how to minimize them to help gain trust in new, or innovative, policy mechanisms. A strong local government has been shown to better implement innovative policies and have successful outcomes due to the ability to adapt to local needs and opportunities, set strategic priorities, establish communication and key linkages between levels of government and private stakeholders, as well as gain greater public participation.

All levels of government should be looking for ways to address the main challenges listed above and reconfigure their organisation to find ways to foster integrative approaches to policy making. Cross-sectoral collaboration needs to replace public policy making that tends to be separated by specialised subject. Establishing a government land development corporation is one example of trying a new arrangement of control and system of relationships. This new player acting as a public entity, yet reacting as a private agent, can enhance coordination between multiple stakeholders in policy and lessen some regulatory and administration barriers making innovation more likely. They can reduce uncertainty promoting local demand for innovation, and have contributed to a greater variety of experimentation of innovative policies in cities (OECD, 1996). This research on CMLC's work explores how the government land development

corporation model has overcome some of the challenges to innovation in public sector policy making.

3.5 Policy and Project Evaluation

“Evaluation of projects, policy and plans is an important but underrated area for government activity” (OECD, 1996, p. 133). The OECD calls for enhanced sharing of information and a need for wider reporting of results from innovative policy implementation (OECD, 1996). Evaluation is needed to determine the effectiveness of different approaches and policies over time in order to refine techniques, avoid repeating mistakes and show progress towards objectives. It contributes to understanding how public policies impact the complex public realm, and therefore how the success of a municipal land development corporation can impact change to public policy. Sharing lessons about how new policy is implemented can inform the process, and more specifically for this research, can help assess how the model of CMLC’s land development can have an impact on policy making and implementation. With limited literature directly assessing the work of municipal land development corporations in terms of impact on City policy and development process, a broader review of methods of assessment and evaluation was undertaken for this report. The review examined studies that had evaluated either urban redevelopment projects or policies that had impacted urban redevelopment as well as policies to advance sustainable land development patterns.

The term sustainable land development patterns means any change that results in more efficiency for infrastructure lifecycle costs; provides enhanced public benefit such as a safer public realm or community spaces for placemaking; and/or maximizes environmental benefits. Examples would be encouraging active modes of transportation to produce less carbon pollution or preserving natural landscape. The literature review shows that the case study method is the most common used for this type of assessment. There is no one set research method or theoretical framework recommended, however a set of general questions for assessment can be identified structured around the specific area of inquiry in each example and guided by the common findings throughout the examples. The findings have been grouped by theme and presented in four main categories. The categories are: *3.5.1 Quantitative Evaluation of Development; 3.5.2 Evaluation of Public-Private Partnerships; 3.5.3 Public Policy Assessment; and 3.5.4 Assessing the Government Development Corporation Experience*. Each has a brief description of the research studied highlighting the relevant findings used to inform the

evaluation of CMLC's work. A list of common conclusions and lessons learned for the analysis and evaluation of CMLC's experience is provided at the end of this section.

3.5.1 Quantitative Evaluation of Development

The Canada Mortgage and Housing Corporation has reported that a lack of reporting frameworks to measure the quantified performance of sustainable development projects is a key barrier to the wider establishment of sustainable development (Peck & Tomalty, 2002).

Although a qualitative vision for the development of a community is typically set, indicators to track changes with quantifiable targets to measure effectiveness are often not implemented. The Performance Assessments Measures (PAMs) approach has been found to be one of the most effective quantitative approaches to evaluate the success of policies and benefits of desired sustainable development patterns (Peck & Tomalty, 2002). PAMs can be used to review policy, to raise political, staff and public awareness, support priority setting and the budgeting process, identify capital and operational cost savings, develop planning guidelines and zoning bylaws, identify shared interests and establish new partnerships (Peck & Tomalty, 2002). The use of PAMs at the municipal level to evaluate community sustainability programs in Canada has become more popular, as well as is recommended abroad by the Charter of European Cities and Towns (Peck & Tomalty, 2002).

PAMs and the associated reporting framework evolved from environmental reporting techniques. Environmental reporting, such as Environmental Impact Assessment, is designed to monitor changes and trends in specific environmental conditions and usually uses indicators to directly measure smaller specific pieces of information reflecting trends in a larger system (Maclaren, 1996). They report the sensitivities of an area to environmental externalities in the early process of development planning providing a better overall picture of environmental concerns (OECD, 1996). The PAMs approach differs from other environmental indicator approaches by combining the indicators with a quantitative target (Peck & Tomalty, 2002). Specific targets can be established through multiple methods including technical feasibility analysis, looking to pre-existing studies or policies, benchmarks identified in literature or comparisons to other plans. PAMs are best designed using a combination of expert research and analysis to establish initial baseline data, followed by public consultation. Common features of sustainable developments that have been used to set targets for measurement include ecological protection, transit supportive design, urban infill, healthy local economy, affordable housing,

energy efficiency and water conservation. Having targets that reflect the overall objectives for a community can allow different sectors and departments to better direct policy to achieve this target.

To achieve a target, it should be linked to specific recommended actions of how to meet that target, by whom and what the timeline is (Peck & Tomalty, 2002). The best way to do this is by ensuring those responsible for implementing the policies, as well as those directly impacted, have had meaningful input into the process. Targets should be reviewed by key stakeholders including the public, have political buy-in, be realistic to local conditions, incorporate a wide range of interests and reflect the broader goals and objectives. The targets can be incorporated in key municipal and regional planning documents, and any regulatory barriers to implement the PAMs need to be identified and removed. The ideal reporting period is three to five years, with select areas needing interim reporting for policy adjustment. The most successful PAM reporting approaches include six main elements:

- A set of policy goals or objectives;
- A set of measurable indicators relating to the policy goals or objectives;
- A baseline set of data for current conditions;
- A set of targets;
- An action plan for implementation; and
- A reporting framework.

One of the main challenges to reporting using PAMs is the conflict created by different perspectives and interests coming together.

Government land development corporations are often granted significant powers with the ability to drive development in key locations. These corporations often have access to public funding, planning controls, and decision-making responsibilities, yet the quantified performance of their development projects are lacking or not publicly available. More recent generations of these corporations are held accountable to a much higher level of scrutiny, however only ten years ago their operations in the UK, the country with the most experience with urban development corporations, was heavily criticized for a lack of public reporting of any type and minimal accountability (Shaw, 1995). Both the US and UK experiences with evaluation show a main barrier being the lack of clear and reliable information (Shaw, 1995). The UK Department of Environment publicly reports an assessment of the country's urban development corporations

based on the National Audit Office's Key Output Measures (KOM). The KOM is a list of local government performance indicators with specific quantifiable measures used to measure the corporation's accomplishments (Shaw, 1995). These include land reclaimed, serviced and developed in hectares; infrastructure in km of roads completed; m² of non-housing floor space developed; housing units developed; dollars of private investment; and numbers of jobs created (Shaw, 1995). The KOMs provide performance targets that can be used to make comparative assessment, however they have been criticized for measuring physical performance that may not translate into social benefits, and therefore does not assess the true benefits, or lack thereof, in an area (Shaw, 1995). Upon review, the national and municipal evaluations of their development corporations in the UK have been found to have many problems. These include the different interpretation of the output definitions, the achievability of the targets, and the reliability of the information collected. Inconsistencies in calculation of metrics such as gross versus net, predicted versus actual, and direct versus indirect influence have all been found in annual reporting (Shaw, 1995). There is a need for full and accurate information if meaningful and comparative evaluation on the impact of government development corporations is to be undertaken.

The detailed evaluation required to assess a sustainable development project, as described by Peck & Tomalty (2002), or the use of the UK's performance indicators, is beyond the scope of this Case Study on CMLC. The project is also not yet far enough along to measure whether specific indicators have met quantitative targets. Furthermore, this type of thorough evaluation on specific design outcomes focuses on sustainable performance and does not directly address this study's main research questions surrounding ability to bring about innovative policy and transformation of public sector mechanisms for urban planning. The findings from the literature on quantitative evaluation, however, provide lessons which inform a broader theoretic framework around the role of CMLC to set and measure targets that reflects the community objectives, and that can be used to allow the various actors, whether private developers or municipal staff, to better direct policy and development proposals to promote innovative thought and design to meet the common vision.

3.5.2 Evaluation of Public-Private Partnerships

With urban planning "defined as a form of state intervention in a development process dominated by the private sector", building partnerships between the public and private sectors is

an important and well-established development concept (Adams, 1994, p. 2). These partnerships have evolved into essential mechanisms applied to improve coordination within public sector redevelopment strategies (Adams & Hastings, 2001). Property developers and investors are often the main partners with the public sector, however more recently there is a trend for both private and public organizations with specific interests to be key actors in development efforts (Adams & Hastings, 2001).

To better understand the purpose and character of partnerships, Mackintosh's (1992) theory of synergy, transformation, and budget enlargement can be used as a theoretical framework. This theory looks at three aspects: the synergies created, the transformation of outlook and actions, and how budgets can be maximized through partnerships as indicators that reveal the success of achieving goals. Synergy is a term found in management and corporate strategy literature referring to the increased benefits produced when companies work together instead of competing (Adams & Hastings, 2001). In relation to land development, partnerships between public and private or non-commercial and for-profit organizations can create synergy of added value through coordinating their different resources and using a collaborative effort. With different perspectives, the synergy of ideas and new insights has the potential to create innovative policies or solutions (Mackintosh, 1992). With a common goal more can be achieved by partners with different skills and resources working together rather than the total achievement if they worked separately.

In any partnership, each partner wants to transform the outlook of the other. The public sector might want their private sector partners to take a more socially responsible approach to redevelopment, while the private actors may want to establish a business model based on an entrepreneurial drive instead of following the more traditional bureaucratic public process (Adams & Hastings, 2001). The concern that this type of transformation could actually hinder innovation to policy is explained when Brilliant (1975) assesses urban development corporations using the conversion hypothesis. The commitment to performance, efficiency and maximum revenue, in theory should be blended with social action that meets the objective of a public purpose corporation. However, with conflicting political demands and objectives defined by different publics, the pressure of internal and external tensions could convert the corporation from an innovative organization to one more compatible with the socio-political environment

(Brilliant, 1975). Goals and objectives need to be matched with decision and policy-making power in order to accommodate outside pressures.

A partnership between public and private sectors for redevelopment can provide a reduction in risk for the private actors in exchange for additional funding, and an increased pool of resources for the budget needed by the public sectors. The budget enlargement that these types of partnerships can deliver helps to give municipalities the competitive edge needed to gain subsidies and other funding from other levels of government (Mackintosh, 1992, p. 211-212).

All three areas of Mackintosh's theory can be achieved through partnerships between the public and private sectors when undertaking a redevelopment project, however how the roles and risks are distributed between partners will influence the success (Adams & Hastings, 2001). When the power relationships are unequal, the partners may, or may not, influence or transform the outcome in a one-directional manner. When a private actor does not have some risk removed by partnering with the public sector, yet invests significantly into a project, they may not take responsibility of achieving the public partner's goal of meeting social objectives.

Adams and Hastings (2001), used Mackintosh's framework to evaluate Hong Kong's Land Development Corporation. The findings showed that the lack of public sector planning, land acquisition powers, and financial resources created an unbalanced partnership and overreliance on the private sector partners. The results were ineffective policy delivery and lack of support for social goals or urban renewal. The resource or policy synergy possible for development corporations was not achieved in this case. The Corporation's plans were undermined by increased governmental requirements and lack of development control or compulsory purchase power leaving the Corporation to assemble sites of multiple-ownership through negotiation. This was costly requiring private investment and influence. The circumstances created an unbalanced partnership and shift toward the private sector's objectives and away from the public's need for urban renewal. The private sector's focus on profit was more transformative than the public outlook for urban renewal due to the lack of control allotted to the Corporation. Due to these challenges, the Land Development Corporation transformed into the Urban Renewal Authority with additional powers and resources in 2001.

The Hong Kong example shows how different cultural circumstances and institutional relations relating to notions of trust and accountability can have significant impact on the how the public and private sectors form partnerships. The Corporation was provided with few powers

and resources because it would be seen as increased interference in the land market. Even to achieve public policies goals, this would undermine the traditional free enterprise philosophy, be at odds with the high value placed on private property and public accountability, and compound the fear of government corruption in Hong Kong. As new types of institutional mechanisms are formed, such as those created by a government land development corporation, local circumstances and socio-cultural context must be taken into account in order to maximize the synergies and budgets created through partnerships, as well as to navigate the relationships that can transform outlook and actions in order to successfully achieve objectives.

3.5.3 Public Policy Assessment

Horak and Young (2012) suggest assessment of policy making at the municipal level focus on how various levels of governments interact, what the involvement is of non-government actors and social forces in the process, and what the quality of the policies are that emerge from these intergovernmental processes involving social forces. Following these three main themes of questioning, the researchers documented patterns of multilevel policy-making and intergovernmental relations, the role of social forces and the policy outcomes, which were then used to draw conclusions with the aim of improving multi-level governance. The research looked at 10 of the largest cities in each Canadian province to provide a variation of the Canadian experience since it is the provincial governments that establish the framework in which municipalities operate. A Case Study for each municipality was created from a review of published and unpublished documents, as well as interviews with officials and politicians from all three levels of government and representatives from the social forces involved in the policy fields studied. Six policy fields were studied based on the researchers' discretion to provide a representative group of cases involving different intergovernmental relations. The quality of policy outcomes were based on a list of common criteria and evaluative techniques derived from a scholarly review and the opinions of the people interviewed.

When looking at intergovernmental relations, the level of influence that each actor has, at what stage in the process the actor applies their influence (i.e. agenda setting, policy alternatives, decision-making or implementation), the resources the actor brings to the process (with funding tending to take a primary policy role), and whether the actor is a politician or public staff was questioned. For the role of social forces, questions over level of influence of each actor and at what stage of policy making are important. Specific attention should be given to the relative

influence of business interests and if policy reflects the preferences of local business. This area of questioning can determine whether cities have few powers acting as “growth machines” needing to maximize property values to promote development and broaden their tax base, or if cities have established coalitions with business groups to strategize growth management for a broader benefit (Horak & Young, 2012, p. 17).

Common criteria that can be used to evaluate policy outcomes include speed of implementation, adequate scale of the policy to address the problem, responsiveness to local circumstances, government and social forces, efficiency of achieving the goals at a reasonable cost, and equitable division of the benefits based on needs (Horak & Young, 2012). Horak and Young (2012) conclude that successful policy making in municipalities requires the alignment of priorities by various levels of government where there is coordination of both authority and resources. Coordinating resources and priorities with social forces and private actors also contributes to policy achievement. It should be noted, however, that business interests were strongly represented, often even leading political agendas, whereas policies’ responsiveness to other social forces was limited. Social forces in general were found to need much better organization at the provincial and federal levels if they are to have their priorities represented in policy making. Fragmented policy objectives, authorities or resources lead to competing interests and more costly and time-consuming policy coordination (Horak & Young, 2012). Policy was found to be more responsive to local preferences when local actors were involved in policy making rather than only at the implementation stages or taking an advocacy role. Having a coherent administration with stable political leadership over significant time periods is related to good policy creation. Sufficient financial resources are also required. The distribution of resources plays an equally, if not more, important role in shaping policy making systems than the formal decision-making authority or jurisdiction. This can lead to accountability concerns where preferences are given to interests providing resources rather than based on a broader public preference.

3.5.4 Assessing the Government Development Corporation Experience

Imrie and Thomas (1999) provide a comprehensive assessment of the British regeneration policy and the role the urban development corporation has played within it. Although there is no one theoretical approach to the eight case studies presented, a framework around partnerships and the relating policy and environmental outcomes can be seen. The studies were focused

around three main question areas. The first questions were used to determine how the urban development corporations developed policies in relation to the local opportunities and constraints. The findings showed that the market and desire to promote cost-efficiency in the public sector dictated an opportunistic approach to development (Imrie & Thomas, 1999). The second area of inquiry asked about the collaboration and partnership between the corporation and the public and private actors in development. The questions sought to determine the extent and influence of institutional innovation. The findings differed depending on the power granted to the corporations in relation to their role in regeneration of an area. The third area focused on the Corporation's impact on the surrounding community. Questions relating to influence on local governance and policy styles were asked, as well as on the social, economic and environmental impacts. The finding varied, however, a common conclusion was that additional public participation in renewal policy is needed and the new role of the public sector in building strategic partnerships can be beneficial. The overall assessment reveals that urban renewal policy in the UK has shifted from property development to include a focus on labour market initiatives. The authors warn that role of the urban development corporations should not be misinterpreted as investing in property to revive declining labour markets, but for the sake of urban renewal investing to provide desirable public and private spaces to attract and retain residents. Urban renewal policies need to respond to complex problems and need to look beyond property development.

Ircha and Young (2013) present case studies about federal land in twelve Canadian municipalities and the issues that public property management and changes in ownership raises for the local governments and communities. Although the cases are focused on federal public lands, the methodology, theoretical issues, and research questions have direct similarities to research on the impact to urban policy processes and governance models surrounding public lands at any level of government. No specific theoretical framework was followed, however a set of general questions forming the research structure was established from the historical context, the factors contributing to the changes in intergovernmental relations, and new patterns of public policies relating to federal property. The first area of questioning was around how relations between intergovernmental actors, private actors and other social forces affected policy. This included questioning how these actors were engaged in the policy process from agenda setting, proposing policy alternatives, decision-making and implementation. This also included

information on how power and resources were distributed to actors. The second area of concern was around the impact of “New Public Management” principles and practices to the nature of outcomes about particular property issues.

Findings are separated into perennial issues, the day-to-day administration type matters, and dynamic issues, the more controversial concerns that provoke policy responses involving public and private actors. The conclusion of these case studies asked how changes to the relationships of the different actors could produce better policies for federal property management and the influence on local communities. It assessed the quality of policies based on the speed with which it was formulated and implemented; coherence with priorities and other policy strategies; effectiveness of goal achievement; and efficiencies of cost-benefits. Public property policy assessment becomes complex as the value of land is often calculated on maximum market value revenue, however the value of public land can have social and economic issues that are significant for the local and regional community which are difficult to fully account for. This type of assessment is politically contestable and requires a strong local planning framework for a successful policy outcome.

Ircha and Young (2013) find that the establishment of a new agency, such as a government development corporation, to facilitate public property management can be more efficient, equitable and cause less tensions locally in the policy process than having the federal government act directly as policy and decision makers. This does not take the politics out of policy, rather it shifts the highly politicized process of development to an agency that can provide a more transparent and accountable process. The study also found that all levels of government, private and social forces should have meaningful input into decisions about public lands. The authors warn that increased intergovernmental relations can overcome jurisdictional issues, however more levels of government actors has also been found to decrease accountability and not be worth the time and resources for coordination. Having many levels of government involved does not necessarily mean either a more positive public policy process or outcome. The same stands for partnerships with other private and social forces. The right stakeholders need to be identified to provide input, expertise and information, however as a representative democracy, policy choices need to take into account interest from a political perspective as well. That being said, throughout the case studies the need to consult has been a main lesson learned. The debate of rational, knowledge-based process of decision-making compared to the public participation

model has long been argued and can be found to compete in many of the examples of urban development corporations. As with the modern planning theory consensus, the examples heavily favor a public participation and collaborative planning model. The case studies echo the findings that collaborative planning “can produce new governance institutions capable of generating long-term, sustainable policy solutions to wicked problems. It can build social capital, foster public learning and enhance deliberative democracy” (Throgmorton, 2008, p. 23). The highly political issues dealt with in development cannot be solved through a rational model or positivist model. The use of participatory planning addresses the issues of defining ‘public good’ and meeting the interests of the many diverse publics that urban development corporations are tasked with incorporating into their primary objectives. Participatory planning theories do not specifically define ‘public good’ but uses a process of communicative action to bring people, knowledge and power together to build a socially constructed definition (Healey, 2003). When a process is collaborative in nature it recognizes that people have the ability to influence the outcome of any planning process.

Ircha and Young (2013) found that a comprehensive approach to planning and objective setting is importance in public property development, where the decision-making processes is transparent taking socio-economic factors into account from the onset. A lack of coordination with local staff, plans and regulations was found to be a common problem. How power and resources are distributed and used needs to be clear, taking advantage of local technical expertise and policy making capacity. Politicians and public staff manage the policy process and often conduct negotiations, however business interests tend to set the agenda taking a leadership role in the economic viability of their communities. The overall conclusion is that a new agency can ensure more consultation, transparency, equity and accountability when handling public property.

Brilliant (1975) examines the early experience of the urban development corporation in the United States. Focusing on the model's capacity to develop an effective planning system, the study evaluates the performance of these corporations based on their policy outcomes and ability to establish innovative changes to urban policy making processes and political systems. The framework of study is based around key questions all looking to contribute to how this quasi-private, quasi-governmental agency has overcome deficiencies in the government’s ability to act relating to planning and policy making. Inquiry was made into what the corporation was

designed to do; how urban policy and planning was defined by the corporation; what attempt was made to get around the political system's restrictions which inhibit comprehensive planning; and what compromises were made, and at what costs. There is also an emphasis on how decisions are made, who made them, and the impact of these questions on successful policy implementation. The relationships between actors and the delegation of authority is important to recognizing that "policies are made as much by the administrators who interpret them as by the planners and political leader who first promulgate them and that, consequently, the authority to carry out decision is critical to their realization" (Brilliant, 1975, p. 8). In order to assess the formation, overall decision-making process, changes to the planning political processes, and policy outcomes the study interviewed respondents from five categories: Internal (from the corporation); government actors; private sector personnel (developers and related professionals); citizen groups and civic associations; and interested citizens and scholars. Other sources of information came from annual reports, government documents, meeting minutes and newspapers. The study shows how this type of model must undertake the complexities of defining public interests, as well as balance the benefits and challenges of both public and private authority at the same time.

Through an analysis of the Canadian experiences with land development corporations McKellar (2006) lists a number of criteria for success. These include having a management framework with a clear and focused mandate that aligns with that of the government it serves. It must have defined priorities, outcomes and performance measures. The governance structure must clearly outline the autonomy, responsibilities and powers of the corporation, as well as the decision-making powers of the Board overseeing the corporation. Having the authority to act is an important feature that can "empower" a corporation (McKellar, 2006, p. 359). The corporation should have a mechanism available to harness private-sector capabilities such as the ability to create favorable market conditions, the right to sell, lease and expropriate land, or the ability to fast track regulatory approvals (McKellar, 2006). Control over assets and the power to act is needed to attract private partnerships, allows innovative financing and gives the board fiduciary control to make independent decisions. A financing model with flexibility to adapt to needs and market changes in order to provide stable and long-term funding is key to success. Following through on a long term vision requires strong leadership with a desire for change. A

strong Board of Directors with an experienced chair is important to ensure long-term planning is undertaken and stays on track instead of simply satisfying the political agenda of the day.

The Organisation for Economic Cooperation and Development (OECD) (OECD/ Mountford, 2009) reports on the contributions of development agencies. The report primarily focuses on the role of these agencies in promoting local economic development activities, however there is a strong connection and reference to land development, management and planning. This research finds that development agencies add value by bringing together effort and expertise from public and private sectors; attracting diverse skills and expertise; ensuring coordination to increase efficiencies that can arise from fragmented departments and responsibilities in the public sector; facilitating relationships and partnerships that otherwise may not have formed; increasing responsiveness; increasing the ability for negotiation; establishing clear rationale and mission to establish credibility of decision making, demonstrating effectiveness and measuring progress; collecting, analyzing and disseminating information to establish a trusted source and authority of issues; gaining ability to share cost, risk, and benefits between public and private actors; and promoting and marketing to add value to under-used assets. The challenges to effective development agency performance include not having a clear mandate; lack of accountability; lack of political direction; not having adequate control, broad scope of project or resources; poor management; lack of ability to take risks and be operationally innovative; lack of political, public sector staff, or private industry leadership; and no regular review and operational adjustments. The report concludes that the use of development agencies has increased significantly since 2000 describing them as a “growing phenomenon” (OECD/ Mountford, 2009, p. 15).

Swyngedouw (2005) reported specifically on the challenges of accountability that urban development corporations have been criticized for, and identified a number of lessons learned. There can be a lack of representation of a larger community and their priorities as the interests of the corporation tend to reflect those of specific stakeholders such as land owners, investors and public authorities. These are the people who sit on the Board of the corporations and who ultimately determine the viability of the projects. A greater understanding of who stakeholders represent and how their interests are reflected is important for legitimacy and accountability. Policy implementation and specific political and economic priorities have been prioritized over a broader inclusivity of the initiative. The corporation must establish a governance system that

balances the representational and participatory forms of decision-making in order to ensure “clear rationale for action” (Sterrett, Murtagh & Millar, 2005, p.388). Urban policy should focus on capital and social networks at the local level and use these links to strengthen the support of the surrounding community. Although the emphasis is on the local networks, the additional vertical relationships provided through the levels of government found within the public sector networks are also important for political buy-in and funding opportunities.

3.5.5 Conclusions and Lessons Learned from Policy and Project Evaluation Review

Although there is limited study specifically about the evaluation of municipal development corporations’ achievements, combined with a review of research on assessment and evaluation of urban development projects, public policy, and public land management, there are common themes that have led to success in achieving goals. Whether in assessing qualitative measurements to achieve targets, in maximizing the benefits of partnership opportunities, in implementing new public policy, or in achieving planning and development objectives, a set of general questions for assessment have been identified based on the common findings in the examples. The following list provides a list of assumptions for success and areas of interest that were questioned to assess potential weaknesses during the evaluation of the CMLC experience:

- Care needs to be given to ensure accountability and transparency acknowledging responsibility to the public
- Specific goals and objectives should be set with targets to evaluate achievement
- The project should meet social objectives and provide social benefits for the local and regional communities
- The corporation should be responsive to the preferences of local circumstances establishing plans and advocating policy that is coherent with related local policies
- It is important to explore how intergovernmental relations, private actors and social forces combine to produce policies, with attention to the influence of local business interests
- The corporation should work within the local development systems
- Different types of relationships and partnerships with the private sector and other social forces can be achieved that would not be possible, or would be difficult to achieve, within a government structure
- The project should contribute to the environmental and financial sustainability of the local and regional communities

- Operating under a private-sector structure should allow the corporation to act with greater speed, flexibility and responsiveness than some government departments
- Using a “new public management” style of management should inspire an entrepreneurial spirit and motivate innovative public policy recommendations
- An objective of using this model is to earn profits and return on government investments in capital assets
- The corporation should be able to attract persons with the leadership and professional skills who might not otherwise consider government positions
- Strong leadership and support at the government and the private industry professional level is important for public and private confidence

Not all lessons learned through the review are transferable to the case study on CMLC’s work, as the history and experiences of the examples show that enabling legislation varies in the amount of autonomy and influence given to actors looking to impact policy and development, as well as the impact of local political circumstances to effect the result. The list above has been used to frame the research questions of this research, as well as shape the evaluation of the overall experience of the CMLC’s work in the East Village.

3.6 Alternative Development Standards

The following section provides an introduction to the topic of alternative development standards and an explanation of the need for unconventional standards and regulations to be established. The challenges to achieving these changes are explored and conclusion described.

3.6.1 Development Standards and the Need for Alternatives

Planning and directing orderly growth and development of land has mainly come from local government through a set of prescriptive standards and regulations, often made statutory through bylaw adoption. Development standards are the rules that guide planning, design and construction of development. They determine aspects of a site’s design such as lot sizes and arrangements, street layout and location of utilities. Development standards cover a variety of specifications, however generally fall under two categories: planning policies and regulations related to neighbourhood and site planning; and engineering standards such as dimensions and locations of roads, storm, sanitary, etc. (FCM, 2009).

The status quo of using a common template of regulations that was established in the 1950s and 1960s has led to the development pattern that can no longer be sustained with the

implications for social, economic and environmental issues well documented (Tomalty, 1997). There has been an increased interest in alternative development standards across Canada since the late 1980s and 1990s with municipalities re-evaluating standards based on demographic and social changes altering consumer demands; the cost of infrastructure and services for municipalities; expectations for urban lifestyles; environmental impacts; and the need for flexibility to foster innovation in development (FCM, 2009). In 1990, through the CMHC Affordability and Choice Today (ACT) program, the Federal Government promoted regulatory reform and streamlining which prompted many municipalities to evaluate their regulatory planning processes (Pomeroy, 1997). In 1995, the Ministry of Municipal Affairs continued this push by publishing the guidebook *Alternative Standards: Making Choices* that outlined current and possible alternative standards to achieve more sustainable development patterns (Pomeroy, 1997).

Alternative development standards “represent flexible and innovative approaches to shaping residential development in a way that is consistent with improved environmental performance of communities with benefits for affordability, diversity, liveability and environmental health” (FCM, 2009, p. 2). The goal is that through public policy and development standards more efficient use of land, resources and capital can be achieved. Alternative urban development patterns usually involve some form of intensification or more compact built form with a mix of uses that in turn can reduce infrastructure costs, increase housing choice and affordability, increase a quality of life, and lessen the impact of urban development on the environment (FCM, 2009). New development standards are needed to both achieve efficiencies in the cost of delivering public services, but also as a means to allow alternative development patterns (Pomeroy, 1997). Examples that have been found to have a significant impact on overall form and costs of development are adjusting lot sizing, building placement, and road standards. Another example is combining community facilities such as schools and park space or open space and storm water management systems (Pomeroy, 1997). Mechanisms for evaluation of these forms of development are starting to arise such as the Leadership in Energy and Environmental Design for Neighbourhood Development (LEED-ND) program, however there remains a lack of evaluation and calculation of cost benefits (Mapes & Wolch, 2011).

With the complexity of standards and multiple agencies and interdisciplinary nature of managing the specifications, there is often a lack of coordination and a tendency for standards to be established independently of the whole system (Pomeroy, 1997). The narrowly focused departments, common in municipal government, create an institutional framework that is fragmented. Combined with inflexible legislation and management systems, innovation in development standards is constrained. The system needs to facilitate bringing together the specialties and relevant viewpoints to find a more comprehensive planning approach and efficient way of guiding the development process. It is also important that municipalities use a more comprehensive costing and benefit framework in order to ensure individual departments do not establish isolated budget decisions that can negate the collective benefits of allowing alternative development patterns (Pomeroy, 1997).

3.6.2 Challenges to Establishing Alternative Development Standards

With many of the existing standards having been in place for years, often only amended in response to continuous issue or contention, there is some skepticism about proposing alternatives (Pomeroy, 1997). A number of challenges to implementing alternative development standards hinder the process. There is additional time, expense and risk to make changes or gain development approval with an unknown process compared to replicating the conventional pattern. Larger municipalities or development companies may be able to pocket these costs, however smaller public departments or developers may not have the resources available. The cost-benefit analysis is the main question for both public and private actors, including infrastructure lifecycle costs, up front development charges, ongoing tax revenues, and net sale revenues for developers (Pomeroy, 1997). Although the lifecycle cost of more compact development has been widely documented there can be a challenge to balance a developer's focus on current costs of land and infrastructure, with the municipalities' desire to minimize the lifetime operational costs and therefore preference to over design with high engineering standards at the front end (Pomeroy, 1997). The tendency to bundle together alternative standards in an effort to achieve affordable goals needs to be addressed in order to ensure quality design standards are maintained. The impact of changing standards need to be assessed at a broader system level to ensure piecemeal application of alternative standards evaluated by different departments does not skew the potential benefits (FCM, 2009). There are also concerns of resistance of residents to changes in zoning and intensification, as well as market demand for

a less vehicle dependent lifestyle. These concerns impact the political will needed to move changes to standards through the approval process and ultimately to be implemented. The general aversion to risk and lack of support of change requires an informed dialogue with the various actors involved in development.

3.6.3 Conclusions

The planning and development process can incorporate alternative development standards and regulations in order to direct development that is more sustainable in social, economic and environmental terms. However, alternative development standards are only the tools used, with the deeper challenge being the institutional framework that needs to change to be more accommodating with “a more flexible process where innovation and experimentation are both encouraged and facilitated by enabling legislation, and, where the financial framework takes into account the externalities of individual funding or expenditure decisions” (Pomeroy, 1997, p. 43). Such a government system needs mechanisms to coordinate different disciplines and departments to collaborate both in design and costing, as well as more interaction with the private development industry in order to establish alternative standards that will enable innovation, cost savings, and achieve common objectives that come from more sustainable development patterns.

3.7 Conclusion and Implications for the Research

As government administration looks for more effective ways to manage public assets, both land and infrastructure, and direct specific development activity to capture the most value, they search for innovation in efficient public asset management strategies as well as in ways and means to bring about innovation in development policy and regulation. Many government departments also strive to lessen barriers and enhance incentives for development that maximize potential benefits for local social, economic and environmental needs; builds on existing opportunities for infrastructure cost-effectiveness; and meets both the local and the wider City and regional planning and growth objectives. One new model of land development that governments have experimented with in their search for innovative development management is the government land development corporation. A literature review shows that there is a gap in scholarly research related to the impact this type of public corporation can have on policy and regulation established through municipal planning processes and practice. This *Chapter 3*

Literature Review highlights the relevant existing research and provides conclusions that shape the theoretical framework on which CMLC's actions and outcomes can be assessed. The review shows that understanding the roles, responsibilities, and historical context of each level of government helps to provide an overall picture of the broad system of governance directing both private and public urban land development. Through a deeper understanding of the complex political relationships, the hierarchy of control, the relative legislation, the approval processes and how these are all interconnected, the implications for CMLC's work can be better identified and evaluated. The interplay of these different aspects and the benefits and challenges they bring about for CMLC's work as a municipal land development corporation, has been assessed in this Case Study.

By reviewing the challenges and the successful characteristics to facilitate innovation in government policy-making and implementation, a set of areas for inquiry have been identified. There tends to be a lack of government-wide framework for the management of public property assets, that become fragmented as different departments and agencies get involved in decision-making. A government development corporation may be able to facilitate collaboration to ease coordination and implementation difficulties. Being separated a degree from the public system may allow a better balancing of political, private and social motivations affecting decision-making by allowing the corporation to emphasize efficiency and cost-benefit analysis. A corporation's success will be impacted by its ability to adapt to the local political climate, be responsive to local needs and circumstances, and to maximize the benefits of partnerships with all actors. Considerations to determine a corporation's ability to act include assessing its objectives and functions; property ownership model; financial arrangements allocated; private sector involvement; governance and management model; and level of accountability and transparency. The challenges that have been found to arise in policy development which hinder a move towards innovative ideas include the lack of understanding costs and risks; the lack of multi-level government and multi-sectoral collaboration; balancing competing objectives; short political priorities challenging broader visions; the lack of evaluation standards; and the deficiency in the role of public participation. Recognizing and better understanding these barriers help to provide a basis to overcome them. A key conclusion from the literature review is the need for relationship building and collaboration between government, private actors and the public. How a government land development corporation utilizes their position as a semi-public,

semi-private actor to bring about consensus and lessen barriers to innovation in policy can determine the level of success in achieving their goals and the goals of the wider municipality. The conceptual framework that will be used to assess the successes and weaknesses of the CMLC's model to bring about innovation in policy, regulation and development practices is based on a set of general questions structured around the common themes identified in the literature review.

Chapter 4: Findings and Analysis

4.1 The Redevelopment of the East Village and CMLC

This section offers a brief description of the City of Calgary's growth patterns, political climate and governance structure. This provides the historical context and current environment in which CMLC works in the redevelopment of the East Village area. This context shows the setting in which CMLC functions and must be considered when evaluating the level of success comparatively to the degree of challenges overcome. For future comparative studies or application of lessons learned, the context in which a government land development corporation is established and how it functions must be taken into account. An overview of municipal planning and policy documents is presented to show how each document regulates and directs development decisions impacting CMLC's ability to manage and meet their objectives. Analysis of the priorities set by City Council for the growth and development patterns of the wider city shows many similarities to the priorities and objectives of CMLC. Section 4.1.2 *CMLC's Mission, Objectives and Actions* provides a summary of CMLC's goal and actions taken to assess where success has been achieved and where there remain challenges to achieving their goals. The list of principles and corresponding projects undertaken framed the questions and areas of interest investigated through the key informant interviews. Where the City's planning documents and the actions or outcomes achieved by CMLC differ, questioning during the interviews was used to reveal where and how CMLC took action to influence a change in policy, regulation, or process in order to usher in the variance.

4.1.1 City of Calgary Context

Calgary is known for the boom and bust nature of its development. Historically based around cattle ranching, since the 1950s the City's primary focus and driver has been the oil and gas industry. The boom of the mid-sixties lasted nearly two decades producing remarkable economic and population growth largely due to the rapid expansion in fossil fuel production. Even after the economic bust of the 1980ies, the population grew 54.8 percent going from 640,645 in 1986 to 991,759 in 2006 (Horak & Young, 2012). Spurred by head offices moving to the City, Calgary had the fastest rate of growth of Canada's major cities between 2001 and 2006. Population growth has tempered to a more moderate amount, however the last Municipal Census

(2013) stated a population of 1,149,552 and its estimated that approximately 40,000 residents came to Calgary in 2014 (Smarter Growth Initiative, 2015).

“Rapid population and economic growth and its attendant pressures structure everything about contemporary Calgary” (Horak & Young, 2012, p. 32). It has generated huge pressure on the City’s infrastructure and has pushed funding for these projects to the center of Calgary politics. Like most Canadian cities, Calgary relies mainly on property taxes to fund infrastructure improvements with politicians left with limited option to raise the actual revenues needed. Calgary has low property taxes, the lowest of twenty-four of the largest Canadian cities in 2009, where revenues collected are insufficient to fund the needed infrastructure investment (City of Calgary, 2009). The provincial fiscal austerity of the 1990s provided low levels of investment in infrastructure leaving Calgary with substantial infrastructure deficits today (Horak & Young, 2012). Provincial and Federal funding has increased in recent years with the transfer of federal gas tax, the Municipal GST Rebate, P3 Canada Fund and most recently the New Building Canada Plan 2014 increasing all of the above, however there is still a lack of coordination between federal, provincial and municipal infrastructure planning. Municipalities own over 60% of the country's infrastructure, however municipalities receive only eight cents of every tax dollar paid in Canada, with the other 92 cents going to federal, provincial and territorial governments (Federation of Canadian Municipalities, 2014). Calgary, like other municipalities, are left waiting and requesting funding with the risk that higher levels of government’s priorities may not reflect those of the municipality’s. Mayor Bronconnier (2001-2010) pushed the federal and provincial governments for increased infrastructure funding gaining some traction in 2002 through a joint effort with Edmonton under the Alberta Federal Council and the adoption of the urban agenda by Prime Minister Martin (Horak & Young, 2012). Mayor Nenshi (2010-present) continues to advocate for increased funding as well as control to raise revenues. Establishing a City Charter, which would transfer some additional control to the municipal government, is currently being pursued. With years of neglect and rapid growth, the leaps gained by City politicians have still not been enough to meet the City’s infrastructure needs, leaving the City to look for alternative means and ways to fund development.

Suburban development has been the predominant pattern in Calgary, as it has in many Canadian cities. The degree in which market forces impact this push of development to the periphery is debatable, however it is well established that demand has been shaped by substantial

subsidies allotted to infrastructure and operation cost in these lower density forms of development (City of Calgary, 2009). Suburban growth has been increasingly found to be unsustainable financially, with the costs of public facility infrastructure, transportation, water and sewer surpassing revenue to the City from property taxes (Horak & Young, 2012). Fiscal mechanisms have been put into place to collect levies from property developers to pay for general infrastructure. These levies are negotiated between the City and the Urban Development Institute (UDI). UDI is the not-for-profit association representing the majority of the residential developers in the City. The municipality is limited as to what they can collect levies for based on the rights allocated by the province in the Alberta Municipal Government Act (MGA). The limitations included water, sewer, storm and road infrastructure on a site and those needed to connect to the network (Government of Alberta, 2000).

Beyond infrastructure responsibilities, fast economic expansion in Calgary has put pressure on living and business costs, creating major concern over the shortage of affordable housing, homelessness, and quality of life. Calgary has long been a conservative City, however with the decline in oil and gas prices and threats to the economy in the recent years, there has been some political shifts in budget priorities. Business interests may be the main encouragement for the change, however the 2010 Municipal Election bringing in a new more progressive Mayor, shows that the demographics of Calgary may be shifting general civic perspectives. Conservative politics and strong influence of the corporate business sector remain, however the benefits to business interests of addressing affordable housing, expanding public transit and strategically planning higher density development are being recognized, as shown by the Calgary Chamber of Commerce advocating measure to address such issues (Horak & Young, 2012).

Like most Canadian municipalities with limited means to collect and fund the financial responsibilities of the City for infrastructure and other social programs, the City has looked to alternative growth management practices and strategies to implement policy that will guide more sustainable development patterns. Over the past decade many changes have occurred and today there are a number of bylaws, plans, policies and guidelines that have been created to do so. The primary documents relevant for land use and urban development is the Municipal Development Plan (MDP) (2009), along with the Transportation Plan (2009), known as “Plan- It”. These two provide policies to guide growth over the next 30 to 60 years. The MDP is legislated by the provincial’s Municipal Government Act (MGA) and forms the foundation for all urban planning

decisions. It incorporates principles of sustainable development into a statutory planning framework. These documents were created from an extensive city-wide public engagement process to establish a shared vision of a more sustainable city. Built on seven interrelated goals highlighting the long-term direction for sustainable growth, the documents call for a denser transit and pedestrian-oriented city where half of the future development would occur within existing build areas.

The following *Table 1: Municipal Policy and Planning Documents* provides a list of City documents that have direct impact on development in the East Village. The right column provides excerpts from the documents’ text affecting CMLC’s work and relevance to development decisions. The table provides context and reference of City policy influencing development in the East Village and was used to assess the alignment between City objectives and directives, and CMLC’s objectives. Further discussion on the alignment of objectives is found in section 4.2.1.3 *Mandate and City Objectives*.

Table 1: Municipal Policy and Planning Documents

The policy documents listed below provide direction on vision and achieving land use planning outcomes.

POLICY DIRECTION:	CONNECTION TO EAST VILLAGE REDEVELOPMENT: How the City policy document relates to, and provides guidance for, CMLC’s work on the planning and development in the East Village.
<i>Municipal Government Act</i>	Amended to allow the City of Calgary to implement a Community Revitalization Levy (CRL).
<i>Provincial Land Use Policies</i>	All statutory municipal policies must be consistent with this document. The East Village ARP meets the requirements as it contains policies supporting efficient use of land, creation of high quality residential environments, provision of a wide range of housing types, intensification of development and promotion of sustainability and the protection of natural resources.
<i>Municipal Development Plan (MDP)</i>	Calgary’s 60 year vision for growth and development of a more compact city. Provides cite-wide framework to guide more detailed plans and policies, including those of the East Village. Development proposals for the East Village must show adherence to the MDP’s seven goals for sustainable growth: prosperous economic development opportunities; compact and efficient use of land following complete community principles; vibrant public places within quality living and working environments; good urban design for attractive and livable spaces; integrated and connected multi-modal transportation system; conservation, protection and restoration of the natural environment; and management of growth strategically within the City’s financial capabilities (City of Calgary, 2015b). The policies in the East Village ARP are intended to meet these goals.

<p><i>Centre City Plan (2007)</i></p>	<p>30 year vision for the Centre City which identifies key physical, economic and social actions to achieve a liveable, thriving, and caring place. The document sets out urban design requirements; open space, movement and access plans; economic development strategies; and community building practices for all of the Downtown neighbourhoods. The East Village being one of those neighbourhoods, has followed many of the Centre City Plan principles. Specifically the connections to and through the East Village from surrounding neighbourhoods, and facilitating a public art strategy. The Centre City Plan recommends bonus provisions for affordable housing in the East Village, which have not yet been seen.</p>
<p><i>Calgary Transportation Plan</i></p>	<p>Supports growth of the Downtown as a centre of employment, social and cultural activities, and encourages increased residential population. It lays out a plan for the street network, including improvements such as the 4th Street connection and parking supply estimates for the East Village. It also provides plans for a multi-mode network to and through the East Village area.</p>
<p><i>Centre City Open Space Management Plan</i></p>	<p>Under the Urban Parks Master Plan, it provides a comprehensive movement and access system planned for pedestrians, bicycles, transit and vehicles. This includes a continuous integrated river valley park system. The document contains urban design provisions addressing building design and the public realm. The RiverWalk connection and riverbank park area enhancements undertaken in collaboration with CMLC have achieved shared goals with this Plan.</p>
<p><i>Calgary Environmental Policy (2001)</i></p>	<p>States that the City is dedicated to becoming an environmentally sustainable. Promotes higher quality of design in development that conserves, protects and improves the natural environment. Infrastructure upgrade including ground/grades raising, flood-proofing and riverbank restoration undertaken by CMLC achieved goals of this policy.</p>
<p><i>East Village Area Redevelopment Plan (approved 2001) (adopted in 2005) (Amended in April 2010)</i> (Currently under review)</p>	<p>Statutory document adopted as a bylaw that sets out a 10 to 15 year vision for the East Village with context specific land use policies. It identifies the area to be predominantly residential with limited commercial east of 4th street SE. West of 4th Street SE should be transitional with office, commercial, and mixed-used residential. It envisions a strong neighbourhood identity with transit supportive development. It speaks to infrastructure upgrades and flood-proofing, as well as new public open spaces connected through and outside of the area. The ARP includes Direct Control Land Uses designated for a range of housing types, however no specific policy on affordable housing exists. It encourages variety of housing including non-market, with a requirement for 10% small units in projects over 50 units to provide lower cost units. The ARP is “intended to achieve community goals and objectives in the context of surrounding neighborhoods and overall city-wide planning considerations” (City of Calgary, 2010, p. 6)</p> <p>The document’s main goals include: implement City policies (i.e.: MDP, Transportation Plan, Centre City Plan), create a range of housing and employment opportunities, generate safe street activity, create multimodal transportation routes, create connections and appropriate interfaces, include flood mitigation, ensure landscape and historical preservation, increase public safety, support economic revitalization, and ensure upgrades are integrated with adjacent communities and amenities.</p> <p>Urban Design Principles include vibrant “Great streets” where buildings are built to the sidewalk, street fronts are visually and physically permeable, and parking is behind, under or above buildings (City of Calgary, 2010).</p> <p>Public engagement process June –December 2014 led to proposed amendments including incentives to gain additional density by providing public amenities. Engagement showed amenities offering the most public benefit to be: facilities that support daily community activities, supermarkets, variety of housing options including family and affordable, public open spaces, transit amenities, integration of public and private spaces, facilities that support art and culture, preservation of heritage buildings, lighting, and safety through police presence. It also reported additional engagement with the adjacent communities of Bridgeland and Inglewood (City of Calgary, 2015a).</p>

<p><i>East Village Master Plan</i></p>	<p>Developed by CMLC, it establishes the location of key elements and character of the neighbourhood. It sets out Urban Design Guidelines, connections, main urban structure such as a central square, open space networks, landmarks, heritage, and vistas that development is to adhere to. It outlines districts and Land Uses with general development guidelines for each. The area contains residential, commercial and institutional uses with an overall population proposed of 11,500 with a projected density of 244 units per acre. There are also policies to support community and social development including housing diversity, economic development, public safety and social initiatives.</p> <p>CMLC assesses development applications for adherence to this document, however this is a non-statutory document, meaning that there is some flexibility in adherence to its policies. The ARP and the Master Plan are currently being reviewed to better align statutory ARP policies to the Master Plan vision.</p>
<p><i>Beltline ARP (2006)</i></p>	<p>The Rivers District includes a portion of the Beltline east of 1 Street SE. This portion is mainly residential with some light industrial, institutional and retail. The vision set out in this document includes: enhanced character and heritage, improved connections for pedestrians and cyclists as well as to the public realm, diversity in building styles and housing types, and integrating the Stampede Park area.</p> <p>The East Village area bordering the Beltline should align with the policy direction in the Beltline ARP and ensure a seamless transition.</p> <p>The Beltline ARP requires affordable housing units be created to off-set the loss of existing units, and provides bonuses for additional affordable units. This is more of an emphasis on affordable housing than seen in the East Village ARP, however redevelopment in the East Village will not displace a significant amount of housing with much of it being commercial and industrial.</p>
<p><i>IMPLEMENTATION TOOLS</i></p>	<p>These documents outline actions, regulations and best practices to achieve the policy outcomes.</p>
<p><i>Land Use Bylaw</i></p>	<p>A downtown Land Use District is included in the Land Use Bylaw. This does not appear to have any unusual regulations that would impact the East Village development. Updated June 2014 with minor changes that would not significantly affect development in the East Village. Most of the East Village land is designated as Direct Control (DC) “to address unique circumstances and policies” in the River’s District (Com Revitalization Plan, 2007, p. 5). There are three main DC districts:</p> <ul style="list-style-type: none"> • DC92Z2005 adjacent to the Bow River – public open space along riverfront, ground level commercial and upper storeys residential. Height and shadow restrictions. FAR 3.0-6.65. • DC93Z2005 – mainly residential. Office not permitted. Commercial limited to the west. FAR max6.65. • DC94Z2005 – transition area of office, institutional and residential. FAR base of 7.0 with potential 3.0FAR. <p>Specific DCs include areas around Stampede, City Hall, Riverfront, Fort Calgary, and the Rail line.</p>
<p><i>Centre City Urban Design Guidelines</i></p>	<p>Guiding document that illustrates best practices for how buildings and the public realm can be designed to encourage activity on the streets.</p> <p>This document aligns with the designs recommended in the East Village Master Plan.</p>
<p><i>Rivers District Community Revitalization Plan (2007)</i></p>	<p>Outlines the public infrastructure program to facilitate the reclamation, redevelopment and revitalization of the River’s District. This document sets out parameters for spending of the TIF. It identifies some rationale for the need of the public financing aid including the benefits and the risks. It states that development was not predicted to occur without City intervention and that the project will have “significant social, environmental and economic benefits” (page 2). It will also not impact the City’s operating or capital budget.</p>

4.1.2 CMLC's Mission, Objectives and Actions

CMLC was established in 2007 under the Municipal Government Act and the Control of Corporation Regulations, as a wholly owned subsidiary of the City of Calgary. The mandate is to implement the Rivers District Community Revitalization Plan, a public infrastructure program that will facilitate the reclamation and redevelopment of the Rivers District in Calgary. CMLC is managed by a Board of Directors; the membership is the Mayor of Calgary, the President and CEO of CMLC and six private industry leaders appointed by the City. The Board of Directors is supported by a management staff and three core business units: Marketing and Communications, Constructions and Development, and Finance and Corporate Services. A chart showing CMLC's general organizational structure can be found in *Appendix D*. The Corporation is financed by loans from the City of Calgary, mortgages on acquired property, and revenues from the Community Revitalization Levy (CRL). The CRL is a form of tax increment financing using tax revenue generated by incremental increases in property assessment to help repay the initial loans. The property values are expected to increase with infrastructure improvements and new developments within the area. Future land sales are also expected to provide revenue. The CRL was approved by the City and the Province.

CMLC's directive is set out in the City of Calgary's Unanimous Shareholder Agreement. The mandate is general and vague reading "The City of Calgary may direct CMLC to pursue municipal purposes in the redevelopment of land within Calgary". This broad mandate has allowed CMLC's to take on a large scope of work within the East Village including environmental remediation of the brownfield site; planning, designing and managing construction of a large scale infrastructure improvement program; acquiring land to facilitate infrastructure improvements and consolidate development parcels; developing a land sale strategy to encourage private investment; facilitate heritage building preservation; and collaborate with the community to create safe, walkable community with investment in arts and culture, increased residential density, and renewed commercial opportunities. The Corporation is tasked with creating an urban environment that will change the negative reputation of the area attracting developers and residents through a comprehensive marketing strategy. The goal is for new development to stimulate economic development and regeneration in the declining

neighborhood. CMLC's Mission, Vision and Mandate are (CMLC, 2015):

CMLC's Mission: *Our passionate, experienced placemaking brings new energy to old neighbourhoods, creates credibility and confidence, and inspires communities to build, grow and believe.*

CMLC's Vision: *CMLC is Calgary's go-to placemaker for urban redevelopment.*

CMLC's Mandate: *CMLC, created and owned by the City of Calgary, exists to achieve the City's objectives for urban densification and community renewal, infrastructure investment and placemaking.*

CMLC's *Business Plan* (2015) lists key performance indicators, however specific targets or evaluation methods are not provided. Measurements or assessment of these indicators have not yet been reported as the project is not complete. The performance indicators are:

- Projects executed on time and on budget;
- Media coverage and feedback from the community;
- Issues tracking and effective risk management;
- Environmental stewardship;
- Optimize value of land sales;
- Optimize development of incremental tax base and ensure repayment of CRL;
- Alignment with government/ stakeholder agreements; and
- Best practice information transfers.

Dependent on the method of evaluation, these indicators could provide a range of information that would allow effective evaluation of social, environmental and economic impact of CMLC's work. They could also demonstrate where and how innovation or change from the typical Municipal processes have been successful. The performance indicators would be enriched by comparing achievements of shared goals between the CMLC's work in the East Village and those set for development in the wider city.

Without specific quantitative measurements available for the indicators listed above, *Table 2: Achievements in Meeting CMLC's Guiding Principles* was prepared to provide an initial evaluation of how CMLC has met the guiding principles or key objectives set to direct their efforts. *Table 2* lists the guiding principles and shows significant corresponding projects or actions taken by CMLC to achieve the objectives. The projects and actions taken by CMLC have been identified through the case study as well as through the key informant interviews.

Table 2: Achievements in Meeting CMLC’s Guiding Principles

GUIDING PRINCIPLES	PROJECTS & ACTIONS TAKEN TO ACHIEVE PRINCIPLES
<p>Redevelop, implement and activate public infrastructure to meet the needs of the community and the City of Calgary</p>	<p>Rivers District Community Revitalization Plan (2007) was the catalyst for redevelopment. Infrastructure and public space improvements include: The River Walk, Simmons Building, 4th Street underpass, Elbow River Traverse, St. Patrick’s Bridge, St. Patrick’s Island, 5th Street Square, and The Sentinels.</p> <p>On-going and Up-coming improvements: The New Central Library, The National Music Centre, 3rd Street SE Streetscape Program, Celebration Square, Crossroads Phase II, River Walk Stage 2, Cecil Hotel, St. Louis Hotel, and Enoch House.</p>
<p>Manage the investment in land and infrastructure for optimal financial returns</p>	<p>Through the sale of land parcels, CMLC realizes return on investment in infrastructure. “Since CMLC first began reaching out to developer partners in April 2010, nearly 80% of developable parcels in East Village have been sold to private developers for commercial and multifamily residential development.” (CMLC, 2014b, p27)</p> <p>The Board of Directors’ governance structure, Corporate Plan and accountability measures including regular reporting requirements showing positive returns and progress towards meeting their objectives. CMLC publishes annual financial statements and Business Plans.</p> <p>The Unanimous Shareholder Agreement with City of Calgary states that the City is the sole shareholder, has exclusive right to appoint directors, appoint the auditor, and amend bylaws of CMLC.</p> <p>Strategic planning was used to identify the CRL included conservative estimates and transparent accounting. Debt financing includes 4 loan bylaws totaling \$275.5 million approved from the City to fund projects.</p>
<p>Demonstrate leading practices for sustainable development (environmental stewardship and social well-being that includes bringing life to public spaces, using environmental design principles to aid in crime prevention, and encourage economic prosperity)</p>	<p>CMLC has created destination amenities and public spaces with extensive programming of events. There has been an emphasis on reducing dependency on personal vehicles, crime prevention measures, heritage asset restoration, flood proofing and best practices in construction to minimize impacts on the landscape and natural environment.</p> <p>Urban design has been used to enhance the streetscape including lighting and public art curated to activate and improve perception of public safety. The EV Sales and Experience Centre, as well as the CMLC offices are located within the neighborhood. CMLC’s developer selection process and criteria to adhere to EV Master Plan shows commitment to leading practices for sustainable development. Development thus far have included design aspects showing this commitment. These include: Embassy BOSA and FRAM+Slokker mixed use condominium towers with retail on the main level and residential above; RioCan retail center; Knightsbridge Homes’ N3 a 16 storey residential tower of 168 unit condo with a parking variance of no onsite parking requirements per unit; and Cidex Developments Ltd. a 221 unit rental building with 3-bedroom units.</p>
<p>Demonstrate innovative and effective operating processes and practices</p>	<p>Collaborative nature of the projects, and consensus building approach taken by CMLC with the City of Calgary, public and many other stakeholders.</p> <p>Master Plan vision and EV ARP include new design features and land uses. Has worked with City staff to establish alternative regulations and variances to bylaw policies.</p> <p>CMLC created East Village Master Plan Cooperative Marketing to establish and facilitate a new image for the neighborhood, as well as maintain programming for the duration of the CRL.</p>

Public/Community Engagement	CMLC has provided opportunity for residents and stakeholders to provide input. They also have initiatives to keep residents informed. CMLC has held specific engagement events for each project. They publish a quarterly newsletter, an Annual Report, a Business Plan, and Marketing and Communication Plan. They provide EV Magazine updates, and have a social media and online presence. The EV Crew of ambassadors are at various events. Programming is coordinated, cooperative marketing undertaken, and a number of community events hosted in East Village such as Opera in the Village, Beakerhead, Sled Island, Canada Day activities, and Calgary Marathon. CMLC works with the Neighbourhood Safety Committee, Seniors and East Village Neighbourhood Association.
-----------------------------	---

4.2 The CMLC Experience

Analysis on the information gathered from the literature review shaped the theoretical framework on which CMLC’s actions and outcomes have been assessed, as well as refined the research questions. Together with the case study context, three main themes were established, to guide the key informant interviews. The first area of inquiry was themed around CMLC’s objectives, plans, and their approach. This included examining CMLC’s vision and priorities, operations and functioning, strategic planning, and actions taken. It also included a review of the municipal policies, plans, and general development approval process. The second area of inquiry was themed around CMLC’s interactions, exploring what partnerships were formed and how they were facilitated. These questions looked to reveal how relationships were built, with who, and what impact they had on achieving either CMLC, the wider City, or private actors’ goals. The third area of inquiry was themed around CMLC’s impact and outcomes. These questions were used to determine CMLC’s influence to advance innovative policy, planning processes or development standards. The questions were chosen to reveal where challenges arose in order to provide lessons for consideration in CMLC’s future actions or for other government land development corporations.

Interviews were conducted with five professionals from municipal planning, CMLC’s staff, private sector consulting planning, architecture, and land development. Participants were chosen based on the organization they worked for, their experience with CMLC, as well as their experience with the development process. The data collected was analysed and categorized into themes. A combined analysis was then completed of the literature review and interview data where patterns were identified connecting the actions taken by, or specific involvement of CMLC, to outcomes that achieved objectives or caused innovation in policy, process or standards. Looking for linkages between CMLC’s work, the cause or action, and the impact

reveals lessons that can be transferred and applied to other government land development corporations. Section 4.2 *The CMLC Experience* presents analysis showing ways in which CMLC has been effective in its ability to achieve the set out goals and objectives, as well as CMLC's ability to act as an effective agency to bring about innovation in policy and regulation changes. The section is separated into six main areas of findings:

- 4.2.1 *CMLC Actions: Coordinated Approach* showing how CMLC used strategic planning which allowed a coordinated approach to planning and development in order to satisfy many goals;
- 4.2.2 *CMLC's Operation and Development Process* describing the benefits of CMLC's authority over land titles and sales, the impact of phasing development, and timelines in project management;
- 4.2.3 *CMLC's Governance* showing the need for a degree of separation in operations, process, resources allocation, and decision-making authority from those of the municipality;
- 4.2.4 *Political Leadership and Champion* addressing the importance of political support to change policy or gain approval for controversial development;
- 4.2.5 *CMLC's Interactions and Partnerships* showing how CMLC has been an effective interface between development partners and the City. This section highlights the importance of collaboration, negotiation based on mutual benefits, outcome-focused rational, and an understanding of market demand to be able to facilitate innovation in policy, regulation, process and development outcomes; and
- 4.2.6 *CMLC's Impact and Innovation* providing an overview of the ways in which CMLC, the City, and private developers impact innovation in development processes, policy, and design. The challenges and risks that impede opportunities for innovation are described, and examples of where these have been overcome are provided.

4.2.1 CMLC's Actions: Coordinated Approach

The large-scale infrastructure upgrades required in the East Village area were cost prohibitive for individual developers leaving much of the land in the area underutilized. The City also owned much of the vacant land parcels in the area. In order to attract development and

stimulate interest in the area, the City decided to take action. After consultations with the Province, the City was granted the Community Revitalization Levy and was able to take a coordinated approach in order to carry out the improvements needed across several blocks in a more cost efficient manner. To manage the infrastructure upgrades and implement the development plans within the 20 year timeline set by the provincial CRL loan timeframe, the City looked at several different models for management. Attracted to the benefits of a “quick and nimble developer” that the private sector industries offers, the City chose an external special purpose body in the form of a government land development corporation to assign with the responsibility of this project. CMLC was created with a unique situation. As a quasi-government corporation, CMLC has local government backing but run as a separate entity it has distanced the work from some of the bureaucratic restraints of a municipal process. This has allowed the flexibility needed to be able to balance the needs of the City and the desires of private development partners, while providing a coordinated approach to planning over the entire area. By establishing one corporation to oversee the development of nearly an entire neighbourhood, planning has been able to take place with a wider scope and size than if it was broken into smaller parcels of land with individual landowners. CMLC has been successful in using their broad mandate and wide covering control over “master planning” of the area to use a coordinated approach not only for infrastructure upgrades, but also for the creating of a Master Plan document to establish a strong vision for the area; for the realization of the need for and benefits of connections to and through the area; to utilize placemaking to overcome the stigma of the area; and to implement their mandate in a manner that displays the shared benefits that meet the wider City’s objectives. The following three (3) sections outline how CMLC took this coordinated approach and the experience, or impact, it has had on the development in East Village.

4.2.1.1 Master Plan and Vision

Planning in the East Village has taken a slightly different course than typically seen in the City whereby the Master Plan was created after the more detailed ARP and Outline Plan were established. “It should be the collective vision that can inform the Outline Plan and Provide additional detail to the ARP” stated a City staff participant, however the timeline for CMLC did not work this way. In 2001, a new East Village Area Redevelopment Plan (EV ARP) was approved, providing the detailed area context and setting the comprehensive land use policies.

The EV ARP was amended in 2005 to reflect a new level of priority for redevelopment in the area, and an Outline Plan for the area was approved with new parcel configuration, roads, and public space designated as shown in the EV ARP. It was only in 2008, that CMLC took a greater role as they hosted an international competition for a consultant to create a Master Plan and establish a vision to guide their work in the redevelopment of the area. The British firm Broadway Malyan was awarded the project with unanimous support from the CMLC Board by the end of that year (CMLC, 2009). The Master Plan was built on the principles set out in the EV ARP and provides the framework to achieve the objectives in the EV ARP for the redevelopment of the East Village. It lays out the key characteristics of the place, both of the built environment and the attributes of the landscape, and also set the desired sense of place, or feelings and perceptions of the area. The Master Plan sets the vision for a new East Village and provided a market perspective of the area, however it is the ARP and Outline Plan that set the statutory policies and land use zoning informing the regulations governing development.

This sequencing of planning document has created a layering of documents, with a City staff participant stating the layering has produced “a challenge for administration to work with” where much effort and time has had to be put into aligning the documents. Revisions to the EV ARP and land use districts were adopted in 2010, and new revisions are again in process anticipated to be adopted in 2016, in order to include policies and land use districts that more adequately reflect the intent of the combined vision of the two documents. One positive impact of having the two documents is that the ongoing policy review has allowed the plan to evolve as the neighbourhood is being developed. There has been an opportunity for open discussions on the commonalities that have worked and what policies may need to be adjusted. One City staff participant stated “It’s important to not be afraid to revisit the plan” as a plan captures all the best information you have at one point of time and “as new information is available you may have a different decision or better outcome”. For example, after CMLC updated their market study analysis, it was shown that it wasn’t necessarily feasible to have retail at grade on every frontage as identified in the Master Plan. Plans need to be updated and communication open to ensure everyone involved has up-to-date information. The ongoing review process for the ARP allowed additional opportunity for discussion and the involvement of a larger group of City staff experts, as well as other stakeholders in the community. Instead of waiting for individual applications to address challenges in a piecemeal manner, workshops involving numerous City departments

have been held for discussions on how to work together to identify and resolve some of the bigger issues. The Master Plan and the EV ARP review has been a tool to open up conversations that can focus on the priorities of the whole neighbourhood instead of, as a CMLC staff participant said, “just lobbying on small issues where there’s less clarity on the bigger intention”. The review has shown an interesting scenario where the Master Plan, a vision document very much focused on a marketing perspective has influenced City policy. This review process is an example of how CMLC’s role as a new actor has brought change or innovation to policy by establishing a Master Plan document that bridge vision and reality. Amendments to the EV ARP based on updated or additional expertise are beneficial, however the interests leading that review must be taken into account. As the review process continues, City staff should ensure any changes address City objectives and benefit public good over specific private development influence or desire.

One significant aspect to note is the Master Plan incorporated information from the Target Market Study, completed by a third party private consultant group Roland Berger, as well as a Retail Demand Analysis by Thomas Consultants Inc. This type of analysis was discussed by the research participants as being extremely important to demonstrate to development partners that CMLC has “done their homework”, as the developer participant said. It was also useful to provide City staff the quantitative analysis and rationale for certain changes requested for the EV ARP. The analysis provides confidence with less risk perceived when CMLC shows they understands who the final customer is for the area, how much absorption there is projected to be for retail and residential buy-out, as well as what type of development management is required to make the East Village a success. The economic analysis created a base for CMLC to provide a business case, described by a developer as “grounded in reality”, to support the design principles, new and mix of land uses, and strategic phasing to the development community, City staff, Council and the public. This information was needed from the very beginning of the project. It helped with the visioning process and is recommended to be produced early in any development project timeline.

The Master Plan is fairly prescriptive and detailed with both City and CMLC staff participants speaking to the challenges when it comes to implementing the document due to these reasons. It was clear that the document would benefit from having a higher degree of flexibility written into the plan with a CMLC participant stating that the document is “a bit different from

where planning policy is going in relation to the flexibility needed to be able to respond to changes in trends and markets that come up.” Development realities for private developers’ bottom-line as well as general market trends, have not allowed all of the exact development vision to occur. Having additional review from the development community and City staff prior to finalizing the Master Plan would have been beneficial to the final document. Although the Master Plan was reported to be too prescriptive, all of the participants in some way emphasized the importance and benefits of this document. One CMLC participant stated the Master Plan was “the key, acting as a catalyst to getting the East Village going was a strong vision”. It allowed CMLC to showcase the area. A CMLC participant noted the past 50 years of unsuccessful attempts of redevelopment stating that it was the Master Plan that provided the “strong vision needed to attract investment. This type of master plan wouldn’t be the right step for all inner-city redevelopment but it was needed for this unique situation.”

Prior to proceeding to the municipal development review and approval process, the Master Plan is used by CMLC as a tool to evaluate potential development partners and project proposals for adherence to the overall vision of the area. It was reported by a participant that CMLC’s proposal review process has become more flexible to deal with the uncertainties of development, be it housing and commercial real-estate market demand, construction technicalities and site services constraints that can come up at the design stage, cost changes, political priorities, and general market realities that require design changes. The lessons that can be learned from use of the Master Plan, is that implementation must be flexible during the review process. The adjustments or flexibility in interpretation needed were found to be much easier to undertake in CMLC’s small organisation where staff have direct contact with the senior decision-makers, than in the large municipal organization where decision-making discretion is often limited and systematic regulation takes significant time for any adjustments. Participants’ comments show that CMLC staff are seen as more willing to take into account explanation and rationale presented with proposals that are inconsistent with the Master Plan than City staff is to inconsistencies in submissions to the City. CMLC staff is allowed flexibility and has been able to work with development partners to make adjustment where necessary, however it has been identified that changes in, or discrepancies from the Master Plan compared to realities of development should be consistently documented by CMLC to provide lessons to future planning documents. CMLC seemed to see this as a proactive measure that supports the evaluation

process by City staff that occurs at the time of permit application. When asked, City staff said it may help ensure the projects meet the overall vision, however it is the ARP and not the Master Plan which acts as the policy document guiding development in the area.

The Master Plan has been interpreted and used differently by different people and has created some challenges for implementation, however for the East Village, it appears that having a guiding vision document has allowed a unified approach to master planning with better coordination of development across the neighbourhood. It has helped the successful coordination of infrastructure and highlighted certain infrastructure priorities such as connection and programmable space. It has also incorporated city-wide objectives while being mindful to ensure a market demand perspective, in order to provide direction that satisfied municipal administration, excited the development community and attracted prospective investors.

The Master Plan has been criticised by City staff, local community groups and in the local newspapers for lacking a community and socio-economic perspective. Although the ARP sets out specific policies for housing diversity, mixed use development, local economic development, public safety, and integration of social initiatives, the Master Plan focuses more on urban design to create a visual and vision for the area than on specific strategies for social initiatives. The Master Plan also speaks to mixed use, an inclusive community, and economic development in the area, however, the relation to social impact is mainly focused on using urban design principles and public realm features to address safety. The principles stated in the document include creating a 24hr/7days a week community where residential, commercial and programmable spaces are all connected and therefore active with people using or passing through the neighbourhood nearly all the time. The document states "Experience has shown this to be a successful model in dealing with petty street crime, allowing the public realm to be under the watchful eyes of both the resident and visiting populations, thereby discouraging anti-social behavior..." (CMLC, 2009, page 12). The plan touches on housing diversity, however the enforcement of housing diversity to include affordable or rental options is fairly limited without Alberta provincial regulation changes to allow municipal authority over certain community benefit type development contribution fees or other housing regulations. The component that is lacking in the Master Plan seems to be a piece on the integration of social initiatives. With a number of social service providers in the area, including the Calgary Drop-in and Rehab center, which offers emergency shelter, meals, supportive programs and transition housing, and the

Salvation Army, there is a need for additional effort for inclusive community planning that will not displace the more vulnerable population using the services within the area. Although not specifically included in the Master Plan, CMLC has worked with City and private service groups to support social plans and initiatives in the East Village. A CMLC participant recalled that in the beginning the focus was mainly on infrastructure upgrades needed to attract development investment, however once those projects were underway it became more about building and maintaining good relationships with community partners. Another CMLC participant echoed this idea and stated CMLC has made a significant effort to “look for community benefit and relationship building opportunities to ensure there’s some type of positive response from the community.” Public realm features, and better connections were reported by participants as the main benefits for a wide group of people, but there is also a public art program and a community garden, along with safety awareness programs that have helped connect different groups of people and offer inclusive community benefits. The Calgary Drop-In and Rehab Centre’s Annual Report 2014/2015, reports “the East Village community association has embraced working and collaborating” with them (DI, 2015, p. 27). Praising the leadership taken to promote community development, the Report states the Centre is “humbled by the openness and initiative the East Village Community Association and CMLC has taken to ensure we all live together in harmony, effectively, and inclusively.” (DI, 2015, p. 41). Although initiatives undertaken by CMLC do meet many of the EV ARP’s policy directives relating to social impacts of the East Village, a clear plan for the development of an inclusive community should have been set out at the Master Planning stage to establish a realistic perspective of the community and what steps will need to be undertaken to ensure the City’s EV ARP policies can be achieved.

The concern of gentrification in an urban area undergoing redevelopment, along with the wider social concerns of homelessness and economic divide, are important areas of research for the Planning community that requires additional research, however are not included in this report. With the research questions directed towards CMLC’s ability to bring about innovation for planning and development processes, the focus remains on the relationship of CMLC, municipal planners and developers with no one interviewed from the social service providers or representing the vulnerable population. This area of investigation would add to the research done here and should be considered for further investigation for a more complete perspective on CMLC’s role to meet wider City goals relating to social well-being.

4.2.1.2 Connections and Placemaking

There is a long lasting stigma that the East Village is unsafe and undesirable, as well as continuing skepticism for new investment given the history and false starts of redevelopment taken place in the past. Setting a strong new vision in the Master Plan and carrying it through to a marketing strategy was described by a CMLC participant as “an important step to figure out a way for people to see East Village in a different way”. Throughout the interviews it was clear that building a brand for the community and placemaking was crucial for the project. CMLC acted as much being a marketing company as a developer in the beginning, as well as invested significantly into building an image of what this community could look like. The importance of creating a new image was recognized from the very beginning as early investment in infrastructure were chosen with a focus on enhancing the public realm and opening up the connectivity to and through the area. “It’s not just that the roads were raised and there’s a nice Riverwalk, it’s so much more than that” a CMLC participant said. An interconnected network of streets and pathways is essential to support the East Village development goals (City of Calgary, 2010). Along with major street and sidewalk upgrades, a transportation and connectivity strategy has been set out to ensure continuity and connectivity to and across the area bringing people and ‘life’ to the area. All participants commented that an active flow of people supports commercial ambitions, has increased perceived safety and cultivated civic engagement and pride. Taking into account the wider city connections, as well as the related transportation policies and plans, CMLC has coordinated projects that have increase pedestrian, cycling and transit capabilities as well as ensured vehicle traffic is accommodated. The Riverwalk, parks and plaza upgrades, bridge projects and streetscaping efforts have enhanced the public realm creating pedestrian links and recreational amenities. *Appendix E* shows images of the Riverwalk and public realm upgrades (*Images #1 and #2*). Road and bridge improvements, along with street realignment, building the 4th Street underpass and facilitating a coordinated transit plan, have also improved links to downtown and access within the area.

Upgrading infrastructure is a main mandate of CMLC, however the built environment is only one piece of the puzzle. In order to create active and successful spaces, the community and ultimate users must be consulted to better understand how people use, or want to use, the space. When the project began, there was a low number of residents or local businesses in the area, and it was reported by City and CMLC staff participants, that those who already lived or work in the

area “welcomed a changed”. The initial engagement efforts showed that residents were frustrated with failed past attempts at redevelopment, were not interested in providing additional input into the process, and “just wanted any change”. There was little, if any, signs of NIMBY (Not In My Back Yard) outlooks often found in redevelopment projects. One CMLC participant recalled an open house for a multi-family resident project in the area that proposed significant variances for no underground parking where no major objections were heard from the public. This project was well advertised, and even had media coverage due to the type of variances requested, yet no major complaints were raised by East Village resident at the open house. CMLC’s engagement strategy quickly changed from a focus on the existing residents to what new residents might want and how to bring in new users to the spaces. A CMLC participant explained the main inquiry related to “what kind of residents will want to live here and what will they want to do in this space?” An outside consultant names Projects for Public Spaces was hired to advice CMLC on placemaking and to help re-introduce the area’s public spaces to a wider range of city residents.

Under the advice of Projects for Public Spaces, CMLC’s engagement and marketing strategy was based on the principles and importance of ‘placemaking’ by creating public amenity space that is programmable, to activate and create emotional value. This has been seen as a success of CMLC’s work and was key to attract both developer partners and users to the space. Every research participant agreed with, and identified the benefits of the success of CMLC’s “active branding” and programming of the area. There were a number of statements commending CMLC for recognizing that amenity space needed to be designed to allow programing from the very beginning. The Riverwalk, the stormwater treatment pond and 8th Avenue SE were strategically completed first to set the public realm stage for the community. The East Village Experience Centre and the CMLC offices were located in the community to provide information and to act as a hub of excitement for the project (*Appendix E, Image #3*). Public art programming brought in local artists to display art pieces to add interest and beauty to a number of spaces (*Appendix E, Image #4*). Programing strategies were considered very positive, by all participants. With four to five hundred events held in the East Village every year bringing awareness to the progress and change to the environment and providing information and marketing of the development. Events include food and artisan goods markets, food truck festivals, hosting movie screening in the park, outdoor exercise classes, children activities, etc. Beyond programing, CMLC collaborated and provided support to City staff to undertake planning public engagement

workshops and surveys distribution for the ARP revisions and park space designs. The intensive programming undertaken in the newly built or upgraded spaces have brought people into the community. CMLC and City staff listed the benefits of new event space and programming efforts to include increased perceived safety throughout the area, increased use of recreation amenities, and economic development opportunities. City and CMLC participants spoke to the perceived improvement in safety, which was supported by Calgary Police reporting. Calgary Police Community Crime Statistics, along with City of Calgary population census data, showed a decreased in assaults, street robbery, and social disorder in the East Village area from 2005 before CMLC's work to 2016 (City of Calgary, 2016a). These benefits also attract new development investment. "We had the mentality that if we build it they will come" a CMLC participant noted, going on to speak to overcoming the area's stigma by showing off the extensive Master Plan along with the actual streetscape improvements and infrastructure being constructed. "We really believed Developers needed to see that... they were excited to see this." Another CMLC participant pointed out "Developers are looking to build in communities where they have confidence people want to live." When CMLC was first established it was reported by a CMLC participant that there was little interest from the local development community due to a negative perception of the area. CMLC then undertook a targeted market search for external developers who had done projects that matched their vision and used both the Master Plan and infrastructure upgrades to market to "who we want instead of just selling to anyone" explained one CMLC participant.

Kaganova's (2011) study states that there has not been any negative mass media found related to CMLC's work in the East Village. Participants interviewed for this study in 2015-2016 echoed similar thoughts, as they were unable to recall specific negative media. A review of newspaper articles and media publications relating to CMLC's work in the East Village undertaken for this research, highlighted mainly positive impacts of specific projects such as the increased recreation amenity and ecological benefits of the Riverwalk upgrades. There were references to gentrification, raising housing costs, and expected conflict between the patrons of the Drop-in-centre and transient population occupying the area pre-development with the new population anticipated to be attracted to the higher-end condos being built, however these references tended to be posed as questions to be determined rather than associated to CMLC's actions or lack of action in any particular area. The branding and marketing efforts taken by

CMLC early in the process have helped to establish a positive outlook around the benefits of redevelopment in the East Village. These efforts have also built a solid platform to open discussion with both citizens, decision makers, and development investors.

4.2.1.3 Mandate and City Objectives

“As a wholly owned subsidiary of the City of Calgary, CMLC was created with the intent to achieve public policy objectives within a more flexible private sector model.” (CMLC, 2014a, p. 3). With CMLC’s work in the East Village only half way done, it is difficult to measure the longer-term contribution to meeting the wider City policy objectives or the impact to the neighbouring communities. However, a review of the City’s policy, statutory plans and vision documents, show that the policies do align with those of CMLC’s set goals and objectives. *Table 1: Municipal Policy and Planning Documents* in section 4.1 displays additional detail of the documents reviewed. When compared, the documents show shared vision, design and planning principles. One significant finding is that the East Village ARP and the Master Plan share the high level vision established for the wider downtown. The EV ARP is “intended to achieve community goals and objectives in the context of surrounding neighborhoods and overall city-wide planning considerations” (EVARP, 2010, p. 6) with specific objectives of implementing strategic City policies, integrating the Plan and development with adjacent communities, facilities and amenities, as well as ensure there are appropriate connections and interfaces bordering the East Village area. The ARP and Master Plan also embrace many of the design and planning principles of the Centre City Plan (2007a), the strategic long term vision for the downtown. For example, creating connections through the East Village to provide access to and from downtown, but also a connection for neighbourhoods adjacent to the development area. A pedestrian bridge was built connecting the inner-city residential neighbourhood Bridgeland north across the Bow River. A second pedestrian bridge connection was built east to another inner-city residential neighbourhood of Inglewood. Both of these neighbourhoods have seen renewal with an increase in infill residential and new commercial success in the past years. The Centre City Plan includes the Beltline communities of Connaught and Victoria Crossing, the Downtown, the West End, Eau Claire, Chinatown, Stampede Park, as well as all of the East Village, speaking to common urban structure and design, open space, movement and access, economic and cultural vitality, as well as community building strategies. The EV ARP was completed prior to the

Centre City Plan and yet the principles in both documents are well aligned, showing how the major objectives are consistent throughout neighbourhoods downtown.

The Municipal Development Plan, Transportation Master Plan, and Urban Parks Master Plan are the City's high level planning documents that set a vision and guiding principles for all other policy and planning documents. These documents lay out the major land use and transportation objectives to meet the City's growth demands and priorities. A number of the objectives within these overarching policy documents are being achieved within the East Village. Examples stated by participants include high residential densities with mixed-use commercial buildings, improved connections to and across the east end of downtown for all modes of transportation, expanded park space, and additional public recreation amenities. Participants also identified how CMLC has partnered with City projects aimed to meet needs based outside of the East Village. One example is that CMLC worked with Calgary Transit to coordinate the construction of the transit light rail train tunnel running under and through the new Public Library site on the south west side of the East Village. A participant explained that this process has not only opened up lines of communication between CMLC but also between different departments within the City as a variety of transportation and land use interest came into play for this project. The project provided benefits to the wider city in achieving their transit and integration of land uses goals, while CMLC gained the benefits of a transit and public realm investment in close proximity to their development site. CMLC also gain additional expertise through the many representatives for each City department that was involved in the project implementation. CMLC had the opportunity to build relationships with City staff from a variety of roles and professions. As development continues in the East Village CMLC has worked closely with the Transportation and Parks Departments to ensure the integration of land uses, the overall adherence to policy regulations and to create a successful public realm achieving mutual benefits for both CMLC and City staff's priorities.

As CMLC implement their plans and begin achieving their objectives, many of the benefits are shared with adjacent neighbourhoods and align the objectives of the wider city. An example showing the understanding that CMLC has an invested interest in the success of the neighbouring areas, and not only within its development boundaries, is that CMLC would invite perspective development partners to the Centre City Congress visioning meetings to show that there was a strong vision for not just the East Village but for the greater downtown. The Centre

City Congress was set up as part of the engagement process to create the Centre City Plan and was composed of the Mayor, Centre City Councillors, key community leaders and stakeholders. Throughout the interviews, a number of participants identified the advantage of CMLC's work to identifying common city-wide benefits and their use of these to promote collaboration with City staff and gain support from elected officials.

Although many objectives have been shown to align, one city-wide objective that has not yet been achieved or contributed to by CMLC's work is the lack of a schools in the East Village neighbourhood. This omission does not meet the vision of complete communities established in the Municipal Development Plan, calling for all new neighbourhoods to have basic amenities needed to support everyday lifestyles of all residents. The designation for a post-secondary school was in the Master Plan, however it has not materialized with no elementary or middle school planned to be built in the area. The Bow Valley College, a private institution opened in the East Village, which has brought in a new active population, however is not an amenity necessarily for families. For this neighbourhood, as well as the wider objectives of the City of creating complete communities, "the lack of a school is a miss in the East Village Plans" one CMLC participant stated. Creating places for children and incorporating amenities for families has now, later on in the process, became a focus by incorporating play areas and significant programming for families on St Patricks' Island. The Public library will also be family-friendly and there is a community garden and a playground with attention to design and programming for families.

When discussing the City's objectives and plans, participants were asked about the fairness and equity of using public money and efforts to support facilitating private development in the East Village. Concerns about accountability were described by City staff. However overall City and CMLC staff reported that the benefits of revitalization of this neighbourhood are believed to support wider city planning, transportation and social objectives. Both City and CMLC staff participants recall concerns of equity and accountability being a part of the East Village planning conversations at a number of levels. The risks of market distortion with the TIF mechanism and loss of investment on infrastructure upgrades if development is not attracted were identified as concerns. To address these concerns, the City strategically located the CRL area to encompass a large office building development that would ensure a tax uplift would be achieved. With the opinion that redevelopment would not have occurred without public intervention, City and

CMLC staff described that the longer term advantages are perceived to outweigh any interim tax increases that would have gone directly to the City prior to the CRL. CMLC established a phasing plan based on market analysis and have carefully monitored housing and commercial demand to avoid oversaturation. The concern of equality to other neighbourhoods, or other City initiatives, was also discussed with one City staff participant asking “is the East Village really unique, or is it just one of the mixed used neighbourhoods that surrounds downtown”. The Centre City Plan states “Focusing on only one area can lead to neglect and deterioration in other areas, thereby taking away from the success of the whole” (City of Calgary, 2007, p. 9). From comments by both City and CMLC staff, it appears that this is a concern that has been raised during the Master Plan phase, with attention to the issue coming up more recently in relation to the high quality public realm maintenance requirements that may exceed the amount of attention received in other neighbourhoods. This concern will need to be addressed by the time the CRL funding ends as it may not be fair to maintain the enhancements in one neighbourhood when others receive a smaller proportion of maintenance budget with lower standards of infrastructure. From an equity standpoint, the level of service should be similar, however based on statements from all of the participants CMLC’s mission to “inspire” may have become more important than the need for exact equality between neighbourhoods. When asked where the East Village fits into the City’s wider plans, a City staff participant questioned “should we put that many great projects in one area instead of spreading them out?” and then replied that the development in the East Village provides benefits by inspiring and “gives people an idea of what could be done”. One of the CMLC staff participants echoed this opinion speaking to the benefits of innovation and the value or priority the City can place on the development of key strategic locations with the broader understanding of the indirect benefits to the City as a whole.

The findings show limited opinion on the impacts of using a form of public subsidy for private development. A larger research sample size would provide more information surrounding the perceptions of the risks of public development subsidies. These findings do however highlight some of the aspects that should be taken into account when a public entity is exploring the use of a development corporation. To uphold accountability and provide a public benefit, a municipality should undertake a comprehensive assessment of the risks to a public development investment taking into account political support, market demand and fluctuations, and ratio of

publicly owned land to private in order to determine public value uplift in comparison to private land development subsidy.

4.2.2 CMLC's Operations and Development Process

With the 20 year timeframe for the CRL, CMLC is tasked with divesting land very quickly. To do this, the Corporation requires the authority to make decisions and compromises, which municipal decision-making structures would complicate and slow down. A CMLC participant stated, they must be able “to act and look like a real market developer and respond like a real market developer”. Part of this authority is delivered to CMLC by transferring City owned land to the Corporation. In 2007, when CMLC was established, it owned over 50% of the land in the East Village. To ensure a quick development process one CMLC participant explained that the land transfer between the City to CMLC needed to occur immediately. This provided confidence to possible development partners that there would not be any additional legal challenges with land transfers still pending, and less “red tape, time delays, and hiccups”, as the developer participant explained as being perceived to occur with municipal bureaucracy. CMLC has benefitted from complete control to negotiate sales and over ownership of land. CMLC sells land by ‘request for proposal’, where interested parties are given the East Village Master Plan and legal land descriptions with an invitation to submit proposals based on the private developers’ vision for a parcel of land. The proposals are reviewed internally by CMLC based on adherence to the Master Plan as well as how the developer showcases their proficiency and proven ability to create development that match the overall East Village vision. “We wanted to target those who had done similar projects or high quality development” said one CMLC participant. Once a developer is chosen, CMLC enters into a purchasing agreement conditional of receiving an approved Development Permit. Developers are required to go through the standard Development Permit, and/or land redesignation process and get an approved Development Permit before the title of land is legally transferred to their ownership. This is written into the purchase agreement in order to stop land banking and sitting on vacant land. This process was established to help ensure development will occur within the CRL timeline. There is a layering of review processes, with CMLC reviewing an application first and then going through the City’s review process, however both developers and CMLC staff interviewed found this to be an important and useful

exercise which not only established a good collaborative relationship between the two but was also helpful to ensure a complete and effective application package to the City.

CMLC has set a build-out timeframe with each purchase of sale in order to usher-in development projects in phases to ensure redevelopment occurs in a manner that meets demand. Development needs to happen quickly, but not too quickly that there is more product than demand and the market becomes depressed. CMLC has demonstrated its understanding of the housing market and the wider needs of the surrounding communities by establishing a plan for staging development in an effort to avoid oversaturating the housing market and weakening the area's demand. CMLC also staged development of certain uses to ensure there are enough residential options prior to commercial spaces to establish local support for successful business opportunities. This is a lesson learned from another redevelopment area in Calgary called Eau Claire, where the lack of residential development in the initial stages created an environment that lacked customers to support new commercial retail sites. Furthermore, one City staff participant stated the benefits of CMLC recommending that the EV ARP include more office space land uses to balance residential "so that it's more of a 24-7 community" generating activity in the area at all hours of the day.

The redevelopment of the East Village was on a relatively tight development timeline following the CRL funding model's 20 year expiry date. The activation of the CRL, occurring only a short time after the creation of the CMLC entity, placed an initial expediency on the project that did not allow much time for strategic planning. The participants interviewed referred to a thorough planning process, however CMLC participants explained that the CRL's passing timeline was a constant pressure to attract investment and accelerate land sales. CMLC reports in their *Lessons Learned* (2014) document that developing a strategic plan prior to the start of the CRL timeline would have helped to speed up the development process (CMLC, 2014a). The *Lessons Learned* (2014) document provides a conceptual timeline recommending that elements such as infrastructure design, visioning work, initial public engagement, creation of a market and retail strategy, development and retail partner recruitment, and City of Calgary planning all should have ideally occurred prior to the start of the CRL. By timing these elements prior to the CRL activation, infrastructure construction could have been ready to begin as soon as the funding came into effect avoiding a delay for design work not yet complete. Setting a phasing plan before the CRL started to coordinate infrastructure upgrades with construction of

development parcels could have been beneficial to help minimize rising land values while infrastructure upgrades occurred. Additional strategic planning earlier on in the process could have also helped to clearly establish the Corporation's internal direction and goals, allowing more effective communication with CMLC staff and City staff, and avoiding delay due to time needed for clarification or interpretation.

4.2.3 CMLC's Governance

The vision and direction of CMLC's work is set by City Council and then the CMLC Board of Directors have the role of working with CMLC's staff to understand how that vision will become a reality. CMLC Board members consist of business leader in Calgary with diverse backgrounds including land development, environmental waste remediation, human resources, and marketing. Members are appointed by a CMLC governance committee, taking into account experience, while also looking to provide ethnic and gender diversity. The Mayor is the only elected official on the Board. The Mayor communicates back to City Council and was reported by City and CMLC staff participants to be supportive of CMLC's work thus far. A CMLC staff participant stated "there are a few councillors that would like to be on the Board but that gets messy". The practice of keeping Councillors separate from the Board was repeated as good practice by the other participants, and was found in other development corporation examples through the literature review. The need for flexibility in decision-making and the ability to act in the best interest of the project would be impacted with additional political context. One CMLC participant stated that only having one member of Council helps to not "muddy the water" by bringing in political interests. The Board's structure was called "very nimble" by a CMLC staff participant who further explained the benefits of a smaller organization in relation to open and informal communication within CMLC's management and staff. An important aspect of the Board's management is in the flexibility given to CMLC's staff to make specific spending decisions. The budget is set out in broad categories by the Board. CMLC staff are then granted responsibility to make allocations based on their needs, within the categories. A CMLC staff participant described how this practice has led to more effective decision-making, allowing staff to determine how that money is best spent to further their goals. The lengthy decision-making process requiring approval from numerous levels of authority, which often takes place on budget items in a municipal organization, is removed.

Although many of CMLC's internal operations follow the model of a private corporation, transparency to the public remains a top priority and there are clear obligations to report as a public agency would. Loss of accountability and a reduced democratic process are risks to establishing a separate entity provided with significant operations and budget allocation control. The lack of political representation on CMLC's Board of Directors requires a system of checks-and-balances to ensure CMLC is accountable to the public that is funding their work. CMLC publishes Annual Reports, business plans and financial statements online, as well as follow Council's direction directly through 'Work Plans' and reports to them regularly on budget items. CMLC holds annual general meetings, have a community advisory committee and have held meetings with key stakeholders and the public.

When asked about CMLC's relationship with City Council, all participants agreed that both CMLC Board members and staff appear to have a good working relationship with the City's Council. One City staff participant stated "Council understands that the East Village is new taxes and is changing the dynamic of downtown" and therefore most often supports CMLC's work. A number of participants indicated feeling that for some councillors there are higher expectations and additional scrutiny placed on CMLC stating a higher standard of development has been set in the East Village. One City staff participant stated "Because it's public money they [CMLC] are accountable and therefore there is more scrutiny". The general perception from participants was Council perceives redevelopment in East Village as positive, however accountability has remained a priority. The details of how Council evaluates CMLC's accountability, is mainly through general updates and reporting. A review of CMLC's public reporting shows a focus on development achievements in terms of profit with limited reference to social benefits. As a public entity, the priority of profit compared to a broader public interest should be questioned. This is one area CMLC is found to be deficient and it is recommended that CMLC be responsible to provide additional detail that would inform Council and the public on the social benefit of their work.

CMLC holds an interesting position as they are directed by, and must report to Council. However, they are not considered City staff, and therefore can act in a political manner to advocate for an agenda. CMLC staff can lobby for what they want. City staff on the other hand, cannot take that role, "absolutely not, it's not our role" said one City staff. One CMLC participant described that when CMLC brings forward proposals following the direction

specifically set by Council for the East Village and CMLC's work, it difficult for Council members to then not support approval. This has been especially important when proposals have required variances and/or policy changes requiring the commitment of additional work for City staff. CMLC has been able to not only facilitate the necessary collaboration with City staff to resolve conflicting policy or standards when they've seen a benefit, they have also been able to advocate for the changes to Council. A member of the development community believes that having CMLC at the table was "instrumental" and "helped a lot" to assemble development project applications that would satisfy both City staff and Council's requirements.

4.2.4 Political Leadership and Champion

When asked about CMLC's accomplishments, every participant echoed the comment that "Political support and political champions are essential" to meeting the challenges of this type of redevelopment project. Due to past failed attempts and significant infrastructure challenges, there was limited support to allocate municipal resources into pursuing redevelopment in the East Village area. However, a number of participants told stories about the former Mayor Bronconnier championing redevelopment by taking initiative to assigning administration to the work, ensuring the "right" people were supportive, and even "stepping on toes" of stakeholders such as the Fort Calgary Board. Having the Mayor as a champion, was described as being "instrumental" to the project, by both City and CMLC participant. A CMLC staff reported that as CMLC looks to new project opportunities, the strength of the political imperative is a key consideration prior to committing.

4.2.5 CMLC's Interactions and Partnerships

The efficient introduction of a municipal land development corporation to the City's planning and development process has required a change of attitude of both public and private sector development actors. The municipality has had to adjust their role in the planning and development process from a project management approach of implementing clear targets, to more of a process management where their role is still to uphold public policies and regulations but also to act as a facilitator to CMLC's market-oriented initiatives. The challenge for City staff involves adjusting their managerial capabilities to find a place where they can regulate and shape private initiatives, while also collaborating to build capacity for the success of CMLC's development. Enhanced collaboration and participation by private development actors has

increasingly been seen as essential in both planning theory and practice, however within day to day municipal planning it will take time to change the culture of planners as “regulators” to one with more informal collaborative relations with the development community. Negotiation skills based on mutual benefits, partnership, outcome-focused rational, and an understanding of market demand needs to be built within the City’s competencies to lessen the tensions between the public and private sectors. When asked how City staff approached planning and development related discussions with CMLC involved participants from City staff, CMLC staff, and private developer, described a transition from initial hesitation for any type of negotiations at the beginning of the East Village projects, to a more open and collaborative discussion with the ongoing EV ARP review process.

CMLC has the role of a private developer, but also the role of a public entity. This responsibility has created an entity that must balance the needs of both. Through the interviews, participants recalled numerous stories showing that CMLC has gained an understanding of the essential need to forge a relationship of collaboration and trust with City staff. The Corporation has undergone significant changes in leadership and direction since its creation in 2007. Both the developer and City staff mentioned a perceived shift in CMLC’s communication and collaboration approach since new management took over stating there is “more of a spirit of sharing” as CMLC staff now “see the importance of meaningful relationships and finding more collaboration.” A City staff participant describes the relationship as changing for the better as CMLC is “more inclusive and works for people’s support now”. There seemed to be an appreciation and respect for CMLC’s staff having become known to not “skirt any issues, as everything goes through the Board and must be transparent”. One of the first steps new management took to open up communication was to set up a meeting with the Calgary Planning Action Group (CPAG) where developers and CMLC could meet with the technical planning groups from the City to present and discuss their ideas and anticipated challenges. The first meetings were described by City and CMLC participants as challenging, with uncertain roles and different perspectives, hindering productive conversations. City staff were described by a CMLC participant to have “pulled out their manuals and said there’s no policy for this” when first seeing developer plans and CMLC’s design plans for certain elements. However, a few champions within the City were able to work with CMLC to re-shape the discussion to turn the conversation from an “us-them” confrontational perspective to more of a mutual benefit negotiation. A City

staff participant stated it took time to get here, but there has been more openness with CMLC as “we look at them as a bit more as partners now as they’re spending tax dollars and we are going to own the asset or manage the asset with them”. Although the City was described by the developer participant as being “very proactive and positive, it was CMLC that was the big push behind” getting the right people in the room and reforming the conversation to find solutions beyond the standard regulations. One of the successes of CMLC’s staff has been to open up communication using a common language and goal between City staff and the private developers and their technical consultants. City staff need to feel confident in the rationale to justify changes or variances to development proposals if they are to support the approval process moving forward. CMLC was described by a City staff participant to have helped to open up the “information exchange so that everyone feels more informed and have background to their decisions”. This allowed the benefits of new design or practice to enter the discussion. Solution-based discussions were established through this newfound collaboration, and some change was able to occur with less apprehension. Overall, the participants agreed that communication with City staff is more open when CMLC is involved in the discussion. The exact reason for this may partially be the personalities working for CMLC, however participants stated that there seems to be a strong desire to succeed from both the City and CMLC. It is this desire and common objectives that fuels the need to find resolution and pushes all parties to address challenges with a more solution-based rationale.

When asked if the development approval and review process was different for CMLC, every participant stated that the same development approval and review process occurs whether CMLC is involved, or if it is another private developer without CMLC’s backing. CMLC was however described by a developer participant, to “change the dynamic” as they [CMLC] have a “more unique relationship with City staff”. CMLC staff and the developer participants stated that CMLC allows more candid conversations that are “less combative”. A developer participant described how CMLC acted as the interface for developers with the City’s development process, calling CMLC’s involvement “critical for success”. CMLC has advocated on the behalf of private developers by facilitating, and at times mediating, discussions with City staff when there’s an issue. Speaking to the benefits of CMLC’s involvement in the development process, the developer participant stated CMLC knows “the ins and outs of the City so it gives them a leg up”. When asked if City staff are more receptive to CMLC than to a private developer, a City

staff participant responded “yes, probably because they [CMLC] report to Council and are a public entity”. CMLC has political backing from the Mayor and Council, however CMLC is in a unique position where they are able to be political like any other stakeholder. This may not have significant impact on the review process for Development Permits, however for approvals requiring Council’s decision, such as land use designations, CMLC may have some political advantage. Both participants from CMLC and the City were adamant that the same development permit requirements are upheld, however one CMLC staff participant also stated “private developers would say that CMLC gets special treatment”. When asked, the developer participant responded in a similar manner stating City staff follow the same review process, without any shortcuts, however having CMLC’s support provides additional confidence that any problems will be negotiated and resolved. It is unconfirmed whether CMLC’s advantage is perception or reality, however all participants generally agreed that CMLC can create a “smoother and more streamlined” development application process. They do this by reviewing application packages before they are submitted to the City and by facilitating pre-application discussions.

CMLC is a partner at the table during the development approval process for all of the parcels of land they control, but CMLC has also engaged in conversations with the other private land owners in the East Village neighbourhood. The Master Plan sets out a vision of the whole area, which includes nearly half of the area’s sites CMLC does not own. Although the Master Plan is not enforceable on those site, the EV ARP policies do need to be met by any development plans for the private sites. When asked about CMLC’s relationship with the private landowners in the area, participants agreed with the statement by City staff that CMLC “has been successful with several people in the neighbourhood operating on private parcels”. Throughout the vision building process and EV ARP review, CMLC have built and maintained relationships with the private landowners to bring them on board with the overall vision for the neighbourhood. City staff report that this has made the development review process easier as applicants understand and have come prepared with proposals that achieve the overall visions for the area.

City and CMLC staff participants believe that sharing the success of new ideas and successful designs with City staff is key to a positive working relationship. When asked about CMLC’s relationship with City staff, one CMLC staff identified the important benefits to a collaborative relationship stating “we need City staff to be involved and champion the ideas. Their work is a contribution to our success”. Participants from both the City and CMLC stated

the importance of collaboration to work through applications as well as turn the ideas of the Master Plan into feasible policies in the EV ARP. Sharing the successes in the East Village with City staff and showing praise where it is warranted helps to build relationships and internal champions. The participants interviewed reported mainly on positive relationships and collaboration between CMLC and City staff. However, it should be recognized that their perceptions are influenced by their roles and timing on the project. When asked about any tension in the relationship, both City and CMLC staff participants reported feeling some resentment from other City staff towards CMLC and their work. The resentment was related to funding and resource availability, as well as a sense of preferential treatment for CMLC projects. Additional interviews with different levels and departments of City staff would reveal different perspectives that could provide additional insight into the tensions created by the development corporation's work.

With CMLC structured as a City owned corporation, there are connections, understanding and relationships that have allowed CMLC to effectively navigate through the political and government development approval process. City and CMLC staff participants mentioned tools used to ensure the working relationships with City of Calgary administration as effective. The municipal development process can be a challenge to navigate with different departments specializing in different areas, the review process must be channelled through a number of departments for review. One CMLC staff criticised the City for a lack of continuity in the development process, where staff are often moved around amongst different departments, making it difficult to track or follow a process when there is no single stable person to contact. CMLC was described by the developer participant as being “a conduit that can help us through the maze.” CMLC's involvement has provided a central point of contact. With specific contacts in many City departments CMLC was described by their staff as being able to receive immediate response, where a private developer, without the same contacts, may not have the same direct access to information. To attempt to overcome the difficulties of formalized communication, CMLC has implemented a ‘one person in’ process where one person from the City is the main contact for each project. The City staff member can navigate the layers within the departments more effectively and communicate back to CMLC and the development applicants, much more efficiently and often more clearly. Having a separated and dedicated City staff, has allowed for more focus and less frustration for staff. City staff assigned to the East Village area, do not have

to balance their daily actions for CMLC with actions for other areas of the City. Participants who were aware of this practice, believe it has been effective. However, one area of caution identified by a CMLC staff participant was that a good relationship with the upper level of planning staff does not always trickle down. The participant stated that other large government organizations have been criticised for using this type of process for their project management. The higher-level positions will support an idea, however at the implementation level, there is no policy direction to allow a standard development review to pass.

Beyond City staff, CMLC also opened up communication and have built relationships with other organizations with significant impact on development in Calgary. For example, CMLC has representatives on many of the Committees related to the East Village, including the Joint Advisory Committee, whose members are mainly private developers. All participants provided comments relating to how CMLC is “constantly in touch with the City” and that “they have great connections with everyone”. Although the findings show that CMLC benefited from extending their relationships, the participants interviewed represent only a limited perspective. Additional interviews with CMLC’s Board of Directors, members of neighbouring Community Associations, other private developers and consulting firms, as well as City staff separated from CMLC’s work, would provide a broader understanding of how relationships with CMLC function. Research into the tensions that arise with a new development actor would be useful to make recommendations to change the behaviour and approach of CMLC.

There seems to be an overall impression that CMLC provides an effective interface between development partners and the City, whether this interface is in facilitating meetings, opening lines of communication in ways a private developer may not be able to, or in shaping the conversation in a positive manner to staff and council. City staff did not necessarily agree that having CMLC involved has an impact on the final approval, however did support the notion that having CMLC in the room acted as a catalyst to resolving concerns and kept the focus on the overall vision and desired outcomes.

4.2.6 CMLC’s Impact and Innovation

Questioning CMLC’s role and impact on bringing about innovation to City policy, the development process and development standards revealed participant’s general perceptions of

the successes and the challenges of CMLC to facilitate innovation. This section is separated into five key areas of findings:

4.2.6.1 Policy and Implementation Disconnect shows how gaps between policy intent and implementation can hinder innovation, as well as how CMLC has found success in aligning policy with function to pursue innovation;

4.2.6.2 Innovation in the City describes some of the successes and challenges felt by the City of Calgary to bring about innovation in municipal processes without CMLC;

4.2.6.3 Innovation in the Development Industry describes some of the challenges to bring about innovation felt by the development industry;

4.2.6.4 Innovation with CMLC provides examples of how CMLC has brought about innovation; and

4.2.6.5 Risk of Innovation shows how CMLC's has been able to reduce risk for innovation, and what challenges they continue to face.

4.2.6.1 Policy and Implementation Disconnect

When asked how City policy has hindered innovation in development, the developer and a CMLC participant stated that it was not necessarily the policy intention that was a hindrance, but blamed the “disconnect” between existing policy and the realities of implementing these policies. Examples described where a lack of connection between City policy and the implementation of architecture, design and construction are presented in this section. City, CMLC and the private developer participants explained that the impact on a site is often not understood at the planning policy level. For instance, following the policies set out in the EV ARP's land use districts, will not in all cases provide the built form envisioned in the Master Plan. City policy, such as the EV ARP, was described by a CMLC staff as being too prescriptive “impeding the opportunity for innovation, improvement or modification” and closes City staff off from engaging in discussion of site specific solutions that may meet the original policy's objective. When trying to work through development design challenges to find solutions, a participant from the development industry stated “City staff has almost always been really good to us but they are encumbered by policy.” The other participants agree with the need for policy to be led by functional objectives. Understanding the operations side of what the function is of a policy, bylaw regulation or engineering standard, can help make sure the built environment created works within this

functional intent. Based on participants' comments, it is concluded that CMLC has had a role in opening up the discussion on disconnected policy and the resulting impact on development choices.

One of the significant and effective approaches that CMLC undertook was to create a strong vision through their Master Plan. The Master Plan called for building typologies and land uses that were not necessarily new in the land use planning industry, but were new for this area of Calgary. The Plan signaled a change needed to generate excitement for developers that had not been achieved in past attempts. However, some of these typologies and land uses have not been implemented due to City policies that restrict certain land uses and built form, as well as, due to the conditions of the market. An example where City policy did not match the Master Plan's vision, therefore required CMLC to advocate for change, was along the Riverwalk. The Riverfront plaza and parks space are regulated by specific Land Use Bylaws and Building Code regulations requiring window separation and setbacks that prohibited buildings to be able to open up on the Riverwalk. The intent of these regulations was stated by a participant as preserving the park space and to avoid the possibility of any development occurring over space that is intended for public recreation use. The regulations achieve the intended goals, however they also hindered active frontage directly along the public plaza and park boundaries. These regulations decrease the permeability, or connections to and from the businesses and the walk, in turn decreasing activity, safety, and viability of commercial development in the area. Through negotiation with CMLC, the Parks Department agreed to amend building setbacks to allow patio spaces to open up onto the plaza and reduced window separation. *Image #5 in Appendix E* shows restaurant retail patio space opening up onto the Riverwalk and public plaza space in the East Village as a result of the regulation changes. The intent to avoid reducing public use of the park space in the future was maintained by creating "no-build zones" more specifically tailored to the public areas adjacent to the Riverwalk. One CMLC participant believed that this issue was able to be resolved because CMLC was able to lobby for the changes with Council in ways that a private developer, or City staff alone would not have been able to. A City staff participant believes that this was an important change that "would have happened anyways, but CMLC got there faster" due to their ability to lobby both City Council and other organized groups, as well as their proactive effort engaging and working with City staff to find a solution that could satisfy all parties. CMLC built on this work with the Parks Department to lobby for more flexibility in the programming and use

of space in the Plaza as well as other park spaces in East Village. Parks are usually designated a SPR (Special Purpose – School, Park, and Community Reserve) which would not allow for the temporary commercial sites CMLC envisioned for the area. Through a negotiation process, a new district was created to allow flexibility in use on certain sites. The debate focused on public space used for public enjoyment and passive recreation as opposed to income generation or structured uses with different programs. The challenge to balance public recreation use, programmable space and commercial interests, that can “activate” and bring life to a space, is not distinct to Calgary. Participants from City staff explained that looking to best practices for expanding uses in public space is something new for Calgary, however with multiple benefits demonstrated, there is potential for these practices in the future. Having CMLC overseeing and responsible for the area’s ‘Vision’ helped ensure that the park spaces were designed with the flexibility to integrate many elements. One City staff participant explained that critical to the success of this space was the “integration of everything from storm water management, commercial uses, and programmable space”. It can be the small details such as coordinating tree planting on the River walk and boardwalk, or installing outlets for kiosks that create a space capable of supporting multiple uses. Understanding and coordinating these details are essential for managing construction in the most efficient manner, while ensuring the end result provides amenities to satisfy multiple uses. For example, effective planning and coordination can ensure a landscape design where trees have spaces for their roots and irrigation to remain healthy with limited maintenance, as well as are situated to provide shade and not interfere with sightlines or recreation. Having built-in electrical outlets in a space allows kiosks to run, musical acts to plug in speakers, and lighting for various evening events. CMLC was able to use their overall vision to proactively design and coordinate a functional space with the flexibility needed to attract and provide for many uses.

Participants from City staff, CMLC and private development spoke of trying to find a balance in providing policies with clear guidance that do not leave a lot of room for negotiation, with policy that is too prescriptive and inhibits innovative ideas. There needs to be some room for flexibility and variances allowed for situations where the policy or regulation may not meet the desired function, or where an alteration could better meet a function. One example of this challenge was described by the developer participant during the initial evaluation of a site where the EV ARP Land Use Bylaws required development to meet a minimum of 50 meters in height

and a 7 floor area ratio (FAR). A 50 meter tall building with 7 FAR on this particular site was described by the participant to be “uneconomical, the units would need to be large and therefore expensive”. The larger units would not satisfy the developers’ intentions, and most likely, would not attract the diversity in population envisioned by the Master Plan nor meet CMLC’s vision for the area. The developer participant commented this building site may have even been completely disregarded for development as the square footage that could be built on the piece of land, based on the FAR maximums in the EV ARP’s land use policies would not allow a residential building to be built in a manner that was considered financially profitable. In the end, CMLC was able to work with the City to purchase the additional FAR from another site. Participants stated that it was CMLC’s diverse skillset that helped them understand the policy intent and the City’s rationale, as well as the impact on actual implementation over the whole area, thereby allowing CMLC to work with both City staff and developers to find a solution to this “policy disconnect”. CMLC worked with the private developer to model the impact that various scenarios of heights and densities would have in order to determine what options would be feasible. A private developer alone may have been able to present the same rationale requesting a variance or policy change, however a number of participants explained due to the risk, time and cost for such a proposal, that suggesting alternatives or policy changes would likely not be pursued by the developer. CMLC’s support and unique relationship with the City provided the reassurance the developers needed, while the relationship also opened up the discussion with City staff at a higher policy level for changes that would help achieve the East Village overall vision without deviating from the City’s policy objective.

4.2.6.2 Innovation in the City

The City of Calgary appears to be dedicated to constantly improving and updating their processes and policies, as can be seen through the *Transforming Planning and nextCity* initiatives. There have been a number of organizational adjustments and a new planning system designed to set out “clear and predictable roles, is more collaborative, more transparent and is more focused on achieving desired outcomes” (City of Calgary, 2016b). The primary planning documents, the *Municipal Development Plan* and *Calgary Transportation Plan*, along with the City’s *Vision* for their planning system speaks to the importance placed on innovation and collaboration as values of the City’s planning culture. When asked if, and how the City is

advancing innovation in planning practices or development standards, participants provided examples of innovative and improved planning practices with a number of new projects, research and pilot projects currently being worked on by the City. However, the constraints for implementing new ideas were described to be significantly high including budget, resources, time and risk aversion, especially when politicians must justify spending public monies. Policy changes require processes including consultation with various departments and committees, which can be very time consuming. One CMLC participant mentioned that the City encumbers themselves with overly-prescriptive policies that do not leave room for innovation. The current policy review related to CMLC's work in the East Village, is being undertaken to find a balance between the flexibility needed to create a mixed-used community and some of the more prescriptive direction set out in the EV ARP's specific land use district regulations. This process in itself is pushing administration to look for new ways to establish policies that will satisfy the City's standards and ability to function within its operation framework while allowing new development designs. The policy review was described by a City staff participant, as one way the City is "going to achieve some of those things that are a bit more unique or innovative".

4.2.6.3 Innovation in the Development Industry

City staff are not the only ones who generally find change to be challenging. A participant from the development community stated the industry "tends to build the same things... we follow along until something changes". With a tried and tested product, participants explained the ease of repetition and low risks. When the developer participant was asked how they were able to bring forward new ideas and forms of development, they responded that many of these changes have been done before in other municipalities, such as Toronto and Vancouver, and therefore are not necessarily new ideas to them. To bring on anything new, participants agreed that it is important that developers understand the development market and the financial implication. A CMLC participant emphasized that developers "need to do their homework" to identify the incentives and find out where something new, or a change, could be profitable. CMLC's market study took into account market trends acknowledging the financial implications that impact the development community and their investment decisions. This provided confidence in CMLC's ability as it brought a common understanding of who the target population is, what the master planning vision is, and what the realistic development potential for the area is. CMLC was also able to use the information in the market study, and their staff

expertise in economics, to support many of the different development standards proposed by developers because they had the information needed to provide financial rationale, as well as visually represent the final outcome. To date, the projections made in CMLC's studies seem to be correct as sales have been doing very well. With the strong development market in Calgary contributing to the success of sales, an evaluation of the continued sales as the market slows should be compared to those of the overall City in order to determine the impact of CMLC's work.

The development industry, as well as CMLC and the City must adhere to provincial and federal housing policy regulations. One participant noted a need for policy change on a national level to be able to address development that can meet the changing demographic and household composition needs. There is a lack of support for studio apartment housing under 500 sq. ft., from the Canadian Mortgage and Housing Corporation (CMHC), making financing for this type of housing option difficult. This can leave a housing demand that may not be met by the market without additional understanding at the federal or provincial government level of the market trends. Advocating for federal housing policy change may not be the appropriate role for CMLC, however with the ear of the municipal Council and the relationship with provincial representatives created through managing the CRL funds, CMLC may have the ability to direct attention to certain topics at particular government levels. No participants had any knowledge that CMLC would pursue such an avenue, with most maintaining that this would be beyond CMLC's mandate.

4.2.6.4 Innovation with CMLC

The vision set within the Master Plan, and through the process of creating the Master Plan, acted as a catalyst for developers to be creative and think in innovative ways. When asked if CMLC encourages innovation in development the developer participant replied "Always. Constantly", while a CMLC participant said it is "absolutely critical to who we [CMLC] are". The developer participant recalled "Because their goal is to create something dynamic, from the first time we talked to CMLC, the approach was what can we do that's different". When asked how CMLC encouraged innovation a City staff participant replied "CMLC boosted this idea" of pursuing new types of development through the Master Plan and the general attitude of CMLC's staff. Every participant told stories of how CMLC had lobbied for new or innovative

development ideas. An example that was brought up a number of times by participants was CMLC's effort to work with the City to ensure the development of *The Riff*, a pedestrian connection cutting through the area's grid at an angle. To design development around *The Riff*, proved quite challenging, requiring cooperation between many City departments and private developers to figure out how non-conventional blocks could be designed "turned inside out, with the outside activity found inside the block". The goal was to create an active edge through the centre of a parcel or block without hindering the required operation functions needed to service development. The details of how the servicing and access functionality, which is typically internalized, can be placed outside and integrated with a pedestrian connection, required buy-in from many City departments as design was not always able to match the City's Bylaw regulations or engineering standards. For example, the Roads Department needed to be confident that private, commercial, maintenance, and fire vehicles could safely and efficiently travel on a smaller than standard required street carriage width. Another example is that knowledge of how the Waste and Recycling Department operations work was essential to understand how a new street layout would impact their ability to provide services. A design charrette with the related City departments, CMLC and some private technical design specialists was held to start working through the issues and figure out if there were design solutions that differ from the current regulations and engineering standards that would not negatively impact City operations. The workshop enabled collaboration between those who had created *The Riff* design and theoretical implementation recommendations found in the Master Plan, with those who regulate standards and are responsible for future maintenance and operations of infrastructure and servicing. The process undertaken was reported by a number of participants to have provided a better understanding of the impact of planning policies on the built form and opened up the discussion on different ways to manage technical design objectives. It was also reported by a developer participant to have "raised good discussion in amongst the development community around the value of active frontages and the importance of streets as places for people, and not just making private areas or publicly accessible private areas". The examples described by participants showed that CMLC has advocated for change to policy, regulation and engineering standards on numerous occasions. When asked if CMLC has more ability to bring about change or innovation than a private developer alone, all participants provided examples showing that having CMLC involved has increased discussions, collaboration and opportunity for problem solving with

multiple City departments previous not experienced. The exact number of changes amended within City policy having CMLC's influence, compared to those brought about through private development applications, has not been determined in this research, however having CMLC acting as a facilitator between private development goals and public regulations has opened dialog, and the ideas presented in the Master Plan have sparked interest for change. As one City staff participant stated "we're having more good discussion about streets as good places on every application... that's raising the bar in Calgary as design and outcome".

All participants agreed that CMLC has been able to establish new types of built form and public realm improvements. Both City participants suggested that one of the main reasons for this change may be the funding available to CMLC, and the room for negotiation that the funding allows. A City staff participant stated CMLC has been able to "buffer and factor additional costs in" as a way to rationalize different material or new design standards to keep the development, and approval process moving. CMLC receives 20 years of future taxes upfront, allowing them to spend more tax dollars than any other City department in a short period of time, yet the City will have to wait 20 years to see if the investments payoff. Section 4.2.6.2 *Innovation in the City* describes some of the City efforts to expand development standards and planning policies to allow greater room for innovation but CMLC has the budget and smaller scope of focus that has allowed them to implement new ideas more quickly. An example provided by a City staff participant was the use of lighting in streetscapes and throughout public spaces by CMLC. The City is in the process of writing a Lighting Guide and has stated to use lighting throughout the City to engage users and increase safety in public places, however CMLC was the first to be able to demonstrate many of the positive ways lighting can be used all within one neighbourhood. East Village has examples of lighting being use to activate spaces, create art, establish wayfinding and enhance safety. A City staff participant stated, "They were lucky to be first out", as other City staff "can't always justify spending money on certain things when money could be used on a higher priority somewhere else in the City". This was reported to be frustrating for City staff, who work under resource and budget limitations, as well as a longer approval framework to implement new or change policies across a large organization.

Although CMLC's funding is a significant advantage to their ability to advance innovation through the City's review process, inspiring a higher quality of design of a space was explained by a CMLC participant to "not always [be] about spending the most money but about really

thinking about what could be”. When the construction drawings for a tool shed to be placed in the East Village community garden was reviewed, the CMLC team recognized an opportunity to include design elements that were different than the classic metal-sided box form. CMLC staff used the same budget but found a contractor who worked with a smaller architecture firm to create a unique design. One participant stated that CMLC learned from, and benefited from, the City’s experience with the Peace Bridge construction, as it showed the need to engage and leverage excitement around the benefits of seeking unique and thoughtful design.

When asked if, and how, new standards or planning practices in the East Village could impact the wider city, all participants identified benefits that would be shared. When the first development applications for the East Village were submitted, City staff were described to be hesitant when reviewing designs features not typical to the types of development proposed. However, one CMLC participant stated City staff “are willing to take more chances, now that we’ve seen some success”. After seeing success of a new or altered process or with design in one area, the support for replication in other areas is more likely. A City staff and a CMLC participants commented on the excitement of City staff around applications from the East Village more recently as “they feel like they are getting to work on a project that is changing Calgary”. One CMLC participant said “if you find a project that the City wants they will help you as much as they can”. These ideas were echoed by other participants commenting that development proposal in the East Village are thought to receive additional support over building in other areas of the City. Having the challenges already worked out through experience was described as another benefit for having CMLC undertake new development process or design. “We push and we have a track record that allows us to push” for innovation or change one CMLC staff explained. As CMLC achieves more success, CMLC staff members seem to have gained trust from administration opening up discussion and allowing space to broach new development design or standards that may not have been thought possible in the past. The wider development industry has also caught wind of the excitement with participants reporting that developers are asking question in effort to replicate the application and development approval processes that CMLC has undertaken.

4.2.6.5 Risk of Innovation

Going through the municipal development approval process requires the financial ability to prepare an application package of drawings and plans, hold land for the duration of the process, and be able to manage changes requested during the review process. Depending on the stage of development permit review, the process from time of application submission to final approval decision can take a few weeks to over a year. With the time and money needed to invest in a development project, the risk of not receiving approval, along with many other changing variables, are significant factors weighing on any developer's decision to proceed. New, or different, development designs that do not readily fit the local development standards add an additional layer of risk for developers, including additional requirements, longer review times, and the risk of total rejection. When asked what hinders innovation in design or engineering, CMLC, City and developer participants responded that the risk of additional time and investments that increases with un-common or different designs is the biggest deterrent. One developer recalled an example of a development in East Village that "because it was so ground breaking we had to show a lot more than you normally would", referring to the significant work and cost of additional drawings needed to be produced prior to being able to apply for a change to land use designation. The same developer expressed that expecting this investment in drawings before land use approval would normally be "too expensive with too much risk", however with the support of CMLC "we felt confident to go ahead". Without CMLC's support, numerous participants told examples of developments they believed would not have been proposed. Without CMLC, the developer participant felt developers "wouldn't have had much clout or backing" to suggest different standards than normally found in the downtown area. City staff were described by the developer participant as "risk adverse because of all the red tape" and therefore there was much less confidence to submit a development application requesting variances without the extra support of CMLC. A number of participants' comments echoed the idea that "CMLC was our [developer] partner", which seemed to provide developers, as well as City staff, relief that the risk to proceed, was in some ways shared by CMLC. When the rationale for variation was presented to the approving authority, normally to Council by City staff, having CMLC as a partner provided additional support. Typically in presentations to the approving authority, only the applicant would speak in favour of a development, however when CMLC is involved, there is a second voice speaking in support of a project. CMLC also provides an

additional level of review through the pre-application internal review to ensure alignment with the Master Plan, which provides additional analysis showing support for an application. Both developers and City staff participants agree CMLC's support had a positive impact on the approval process. The developer participant said "I shouldn't say we wouldn't get approvals, but I'd say it would be much more difficult and much more arduous." Although there was an overall awareness by participants that there is "some understanding that you're a notch up with CMLC" and that there is additional support from City officials with the desire for success of the area, there is also a wide understanding that when it comes down to actual approval, CMLC must be treated the same as every other private developer. CMLC must be transparent with a Board accountable to the City, and therefore Calgary residents, overlooking their actions. Whether perceived or real, having CMLC at the table supporting a project has provided additional confidence in the approval of the development and therefore lowered the risk to propose innovative design ideas that likely would not have come about otherwise.

In order to attract investment to the East Village, participants agreed that CMLC needed to create a higher design standard for the public realm and streetscape than usually required. Challenges to coordinate and justify future commitment needed to maintain the different designs were described by City and CMLC participants. In 2027 CMLC's timeline for their work in the East Village will come to an end. Public space and infrastructure upgrades will be complete and responsibility for maintenance of the infrastructure will be transferred to the City. Some maintenance operations may require changes in schedule and adjustments to the typical processes which can be coordinated with additional staff time. However, some infrastructure may need supplementary care causing additional financial expenses for the City. For example, certain design features such as the decorative pavers used on many of the East Village's streets, will require additional resources in order to maintain the higher quality of streetscape conditions in the long term. Purchasing decorative pavers for replacement requires significantly more resources than for standard street or sidewalk pavement. Another feature with potential future operational challenges are the self-compacting garbage cans. These can reduce the need for emptying, however the City's garbage disposal operations are run in a union environment that restricts weight employees can lift, therefore the garbage cans cannot be compacted to the full capacity which would cause the cans to be heavier than the restriction. The street bins also provide for recycling materials, however the City does not provide on-street recycling pick-up.

The garbage and recycling bins were described by a City staff participant to have made “people excited about the East Village again with innovative ideas but we don’t know how to maintain them”. Typically a developer would transfer maintenance responsibilities after a certain warranty period to the City, however without CMLC involved concern over the ability to continue to program and maintain the space at its current level was reported by a number of participants. Change could impact the image CMLC has established for the East Village. Due to regulation on how the CRL is spent, CMLC is unable to use its budget to establish a fund that would pay in perpetuity for future maintenance needs. CMLC staff reported that they have evaluated different models to maintain the design standards, such as establishing a local improvement area or homeownership tax model, or a Business Revitalization Zone (BRZ) for local commercial retailers to pay for the additional upkeep required, however no specific solutions have been decided on. All participant indicated a general hesitation to take on new or different building forms and street conditions due to the uncertainty of responsibilities and cost of future maintenance. This uncertainty was described by a City staff participant to add scrutiny, time, money and risk to the application process. In order to minimize additional barriers for developers while promoting innovation in the East Village, CMLC needed to be proactive with both developers and City staff to understand the feasibility of these designs and the maintenance requirements. Additional attention by CMLC and developers on how site and building design impacts maintenance and service functionality is required to make sure operations are at the forefront of design. By articulating the principles of design clearly at the beginning, CMLC may have been able to encourage stronger relationships and collaboration with City staff to resolve operational limitations prior to implementing design elements.

Chapter 5: Conclusions

5.1 Response to Research Questions and Lessons Learned

Building on the conclusions developed in the literature review and the case study, including key informant interviews, provided insight into how CMLC has operated as an alternative model of land development. It has also revealed the impact CMLC's actions have had on advancing innovation in planning policy, processes and development standards. As described in section 1.3 *Research Questions*, this research focused on answering three key questions. This section revisits each question and provides responses based on analysis of the case study and information collected during the interviews.

5.1.1 Research Question One

This research first set out to answer: *How has CMLC operated as an alternative model for land development, as compared to the private sector model of development?*

The literature review played an important part in gaining insight into the role and influence of public and private actors in land development. With the enhanced understanding of the roles taken in the development process, the data generated through interviews has been analyzed to identify the similarities and differences in CMLC's operations and process with its unique quasi-public quasi-private position. The interview data was also analyzed to investigate how CMLC's strategic planning and approach to take action impacted the development outcomes.

Typically the development process involves public (municipal) and private actors. Municipalities act as the regulatory body controlling the development approval process and directing development and land uses through long range planning policy documents (i.e.: Municipal Development Plan and Master Transportation Plan), land use Bylaws, and other development standards. Regulations are shaped and influenced by the needs and demands of various intergovernmental negotiations, social forces and organized interests. When reviewing development proposals, economic efficiencies and comparative advantages are taken into account, although the process can be complicated due to the many different actors involved. There is a set hierarchy of power and decision-making procedures in place to provide accountability, however this bureaucratic system has been criticised for being a lengthy and sometimes inefficient process. Functioning outside of government, the private development process has often led to more efficient forms of management (Ircha & Young, 2013). However,

the private development industry is criticized for being driven by financial returns and not always sufficiently taking into account the longer-term issues of infrastructure life-cycle costs, social cohesion, equity, or environmental protection. Establishing a government land development corporation is one example of trying a different arrangement of roles with a new “quasi-public quasi-private” actor managing development within the existing development process framework. CMLC holds this unique position. It acts as a private developer, with most of the operations following a private management model, however with the City as the sole company shareholder, CMLC is ultimately accountable to the municipality and its citizens.

CMLC’s operations and general management model showed similar strengths to that found in the experiences of other development corporations as reported in the literature review. CMLC has benefited from their ‘arm’s length’ position, separated from the government. The entity has limited political representation on its Board of Directors with the Mayor being the only elected official to sit on the Board. This has provided efficiencies in decision-making, yet has also increased the need to ensure other mechanisms are in place to provide accountability to the public. Responsibility to report to City Council and provide public reporting should be enhanced to ensure a democratic process is upheld. Where other Canadian examples of government land development corporations, such as Winnipeg’s Centre Venture, or Toronto’s Port Lands Authority, are directly bound to a municipal initiative and specific municipal process, CMLC tends to take the role of a private entity more separated from municipal activities. Although to date this strategy has been reported to be effective, the concern of possible tensions arising due to a perception of preferential treatment or of a subsidization for private interests must be countered with additional attention to public accountability, shared City goals, and sharing of success with both public and private stakeholders. The importance of political and City staff support cannot be emphasized enough. A political champion who will support and advocate for a project is essential for budget considerations, approvals, and overall success of any development project.

CMLC’s experience shows that a corporation in this role must be able to act and respond like a market developer. The transfer of land from the municipality to CMLC at the very beginning of the process was an essential step to show the Corporation’s independence. This was key to limit risk and time concerns by providing confidence for private developers in CMLC’s authority and ability to act separately from the reported bureaucracy and lengthy decision-

making structure of the City. CMLC gained leverage and control over development and land negotiations which allowed them to set built-out timeframes and place conditions on land purchasing. They were able to manage phasing and avoid land-banking by owning the land. It has proven beneficial for CMLC to be able to react, adjust and make decisions separately from the municipality. Establishing a Board of Directors that report to the municipal Council, however does not contain Council members, is one way to ensure public accountability, yet reduces the bureaucracy of a large municipal organization that is often criticised. The Board's role is to oversee the overall mandate, vision, budget, and reporting, however daily operations are left to CMLC's management team. This has allowed CMLC's staff to be empowered with the ability to make day to day decisions, including spending decisions, and has allowed the efficiencies of the private management model to work to CMLC's benefit. With increased flexibility and decision-making power, CMLC has been able to adjust plans in a nimble manner in order to phase development and manage supply and demand of the land-uses based on the market. This flexibility has provided confidence and a sense of understanding needed to act as a partner to private developers, as well as to City staff, as both stakeholders' risks and end goals are shared with the Corporation.

5.1.2 Research Question Two

The second research question investigated: *In what ways and to what extent have CMLC's plans and approach brought about better performance in achieving development goals and the City's long-term planning priorities?*

Upon review, CMLC's mission, objectives and actions show the intention to achieve wider community and City goals. Targeted quantitative evaluation of development achievements is beyond the scope of this research, however a comparative analysis of the municipal planning documents reveals that CMLC's work aligns well with the City's planning priorities taking into account a wider perspective of sustainability goals for infrastructure, transportation, housing, economic development, and environmental issues. In order to incorporate a city-wide planning context, it was reported that CMLC collaborated with City staff to ensure planning considerations and implementation actions align with the City's plans and policies. These include the Calgary Municipal Development Plan, the City of Calgary Land Use Bylaw, the Calgary Transportation Plan, and the surrounding neighbourhood plans. This collaboration is ongoing with the City's EV ARP review process showing a commitment to shared goals.

Although CMLC's objectives and work thus far align well with the City's goals, their public reporting shows a tendency to prioritize their value and benefit in terms of the corporations profit over the wider social values. This is an area that CMLC should address to ensure public money expenditure can be justified by quantifying benefit to the public interest.

Beyond government actors, CMLC also engaged local social agencies such as the Calgary Drop-In Centre and Salvation Army. They engaged key civic partners such as the Calgary Exhibition and Stampede, Fort Calgary, and the Calgary Public Library, as well as the general public through initial engagement events, marketing campaign, and ongoing programming of the area. Understanding the concerns and interest of the diverse stakeholders of the area, helped CMLC establish a vision and Master Plan that was reported by the participants of this study to gain general support.

CMLC's broad mandate, authority separated from the City's decision-making procedures, and master planning control over a large area has allowed a coordinated approach to be taken. Guided by CMLC's Master Plan, a coordinated approach has allowed for: successful infrastructure upgrades; a strong vision and marketing strategy that led to placemaking needed to attract investment and overcome a long-standing blighted stigma of the area; establishing connections to and through the area, bringing people into the previously isolated site; and producing shared benefits balancing the City's wider objectives with a market perspective of private development. The Master Plan has allowed one plan to guide development for the whole neighbourhood taking into account the specific challenges of the site. With safety being a main concerns, public realm improvements and programing were a priority as new development brings mixed incomes together within one neighbourhood. The infrastructure and public realm improvements have created notable recreation and leisure amenities with actively used public spaces, which would not have been possible without CMLC's marketing campaign efforts and dedication to programming. Another important action for CMLC was to incorporate analysis from a target market study into their master planning process that grounded the business case for their land-uses, design principles, and strategic phasing. By establishing a plan supported by economic analysis, CMLC gained confidence from the private development community, City staff, Council and the public, for the realization of the plans.

CMLC has positioned itself in a manner that has provided an effective interface between the private development industry and the City. This has proven to be one of the most important

roles for CMLC to take. The strong relationships and partnerships with City staff, council, and private developers have facilitated an increase in open communication and helped to shaped discussions in a positive and productive manner. Based on the research interviews, without CMLC as an arms' length third party, these conversation may not have occurred, or if they had, the discussions may not have been as effective at producing solutions. The development approval and review process remains the same for CMLC as it would for any private developer. However, this research shows that having CMLC involved positively influences the discussions, with their staff's ability to identify and present common goals using common language. CMLC is seen to support both private and public interests, and was described by the developer participant to "change the dynamics" in the approach to review and plan for development by emphasizing problem solving over negotiation. CMLC has established confidence in the vision set out in the Master Plan, as well as in its ability to navigate and assist in the development approval process, as it has met its goals of attracting significant private investment to the site and facilitated phased development of residential and commercial uses.

All of the research participants praised the diverse skillset of the staff employed with CMLC. The developer participant explained "They have staffed themselves quite nicely right across the board" providing a broad understanding of economics, marketing, planning and architecture. This contributes to the successful implementation of projects by facilitating different perspectives during discussions, emphasizing problem solving, strategizing as an internal team, and to a better understanding of the diverse stakeholders. This research highlights how important skills in facilitation, communication and a diverse understanding of the development industry are for the success of a government land development corporation. The research also shows that although there has been a positive impact to CMLC establishing open communication and collaboration in the East Village development process, it would be beneficial to have a more established process on how City staff works with CMLC as an arm's length organization. Similar concerns were mentioned by participants from both the City and CMLC staff relating to questions around the rules of engagement, degree of disclosure expected and secrecy allowed, as well as degree of discrepancy to lobby for CMLC supported ideas as opposed to strict adherence to the wider City priorities. It appears that CMLC has in some ways benefited from the flexibility, or in some instances the lack of specific rules of engagement, allowing discussion to occur as needed without restricting their agenda and the topics for

discussion. However, this lack of protocol for communication could result in distrust, tensions or apprehension to collaborate. It could also lead to missed opportunities if the lines of communication are not fully clear. The benefits and risks of establishing communication or collaboration protocols should be assessed when considering establishing the structure of a municipal land development corporation.

Based on an evaluation of accomplishments seen on site, participants' comments, and a review of media publications, CMLC has been recognized as having achieved significant success meeting their mandate and providing management for the implementation of the East Village Area Redevelopment Plan. The amount of infrastructure upgrades, public realm improvements, effective programming and marketing, as well as private investment attracted and overall development progress achieved under CMLC's management is notable. However, the context under which the development has been occurring must be understood in order to compare or learn from CMLC's experience. The Corporation was set up with what has been described by both a CMLC and a City staff participant as a "best case scenario" in which to operate. CMLC's work in the East Village was supported by a number of factors including: key political imperative with then Mayor Bronconnier championing the project and acting proactively to establish the CRL funding mechanism; a significant amount of the site's land being City owned (over 50% of the land in East Village was owned by CMLC in 2007 when it was established); the area was in a highly desirable location adjacent to the Downtown and in need of environmental remediation; and there were limited stakeholders (with the few residents and businesses in the area generally welcoming change). The participants commented that it would be difficult to determine if CMLC or a similar government land development corporation would be as successful without the above listed variables provided in the East Village. As the City and CMLC now look to expand the Corporation's mandate to take on projects in other areas of the City, different challenges to CMLC's ability to act as "a quick and nimble developer" pushing innovative ideas, design, negotiating changes to standards, and navigating the development process are anticipated. Although the context in which a municipal land development corporation works will significantly impact the approach and outcome of a development project, there are a number of strengths that have been identified through the analysis of CMLC's experience that can provide direction for others who may be interested in, or working with such an entity.

5.1.3 Research Question Three

The research also sought to determine: *What new or innovative planning policy, processes and development standards are emerging through CMLC's work?*

This research shows that innovation and change to municipal planning policy, development and engineering standards, as well as the development application process has been facilitated by CMLC, or influenced indirectly through CMLC's actions. As a third party to the negotiation between City regulators and private development interests, CMLC has been able to facilitate increased collaboration and cooperation. With the Master Plan's vision providing inspiration for change, CMLC has used its role in the master planning exercise to open up discussion on City policies found to be disconnected from the realities of the development industry. Acting at arm's length from the City, a CMLC staff participant described the Corporation as changing the discourse from "this is how it works" and this is what the existing policy allows, to "let's use the best idea" to stimulate innovative thinking and to proactively problem solve. CMLC has been successful in bringing together multiple disciplines to look beyond the often "single-problem single-solution" approach described by the developer participant found in siloed City departments in order to enable solution-based discussions. By retaining staff with a diverse skillset, CMLC has been able to establish a common language and identified mutual benefits. CMLC staff's background experience included: economics which allowed implementation of the market analysis including use and land development phasing; marketing and an understanding of the importance of programmable public space to create a new sense of place; and policy planning, architecture and construction building, which together allowed CMLC to demonstrate how policy impacts the functional operations of development. With these skills CMLC gained trust from both City staff and private developers and were able to facilitate change to development and operation standards on numerous issues including zoning district uses, building setbacks and parking requirements.

CMLC's staff are uniquely positioned where they are able to lobby for municipal policy change. By sharing the success of new ideas and designs with City staff, it was reported that CMLC has developed positive working relationship with staff and enhanced confidence from Council. Although the development approval process or policy amendment process remains the same whether CMLC is involved or not, all participants stated advantages to having CMLC's involvement and support when advocating for innovative planning policy, processes or

development standards. Having CMLC's support has been found to lessen the risk, time and cost that has been reported to hinder private proposals for innovative development design. CMLC's involvement has enabled change in policy, practice and standards by providing City staff support in the form of expert analysis, additional review, and outside recommendations, which provided additional rationale to forward requests for amendments to an approving authority.

CMLC's work thus far, shows how the role of a municipal land development corporation can enhance coordination between multiple stakeholders, lessen some regulatory and administration barriers, and inspire the confidence needed to make innovation more likely. CMLC has had success in recommending and implementing innovation in planning and development by identifying disconnected policy, processes, and standards; facilitating collaboration between various actors and disciplines by balancing objectives and using an outcome focused rationale; sharing the risk and cost of innovation; and building relationships and partnerships with both public and private actors by sharing success.

5.2 Other Considerations

CMLC's model of land development corporation provides a number of lessons relevant to other municipalities interested in similar models, however many of the same lessons can also be directly applied to the public sector. The developer and a City staff participant identified that the process and business model behind CMLC's management, and not necessarily the creation of a new actor, is a significant factor to CMLC's ability to provide a smoother and/or faster development process, as well as the promotion and ability to implement innovation in design standards. A participant from City staff stated it can be "disheartening when Council or people think we need a group like CMLC doing more projects around downtown, when we [City staff] actually have all the infrastructure in place to do it" but are hindered and slowed by the City decision-making structure. Municipalities can look to CMLC's experience presented in this research to identify challenges or inefficiencies within their planning policies, processes and standards. The efficiency and success that CMLC has found, such as using knowledge from multiple disciplines to build common understanding between public and private development actors, or granting decision-making authority to staff for day to day operations, can be implemented into practice at various levels in municipal development processes.

CMLC's work in the East Village was funded through the CRL financial mechanism. The impact of the CRL timeline was analyzed in section 4.2.2 *CMLC's Operations and Development*

Process, however the impact of the financial risk was not. Even when placed in the management of a municipal land development corporation, the CRL mechanism has considerable financial risks to it and requires further investigation. The infrastructure upgrades, land purchases and planning management all have significant cost, and can include additional borrowing and therefore additional interest costs. When development occurs incrementally as originally predicted and planned for, money can be recuperated as land is sold to private developers and as tax revenues increase. However, in the case of any substantial change to the housing or commercial market, or a loss of confidence in the development site's overall vision, there is potential for losing a municipality's investments should the market price for land drop. There are also considerations that the Province must take into account as the Alberta government decides how to fund the education portion of taxes for the duration of the CRL. A number of CRLs have been issued in Alberta since Calgary's Rivers District was approved, including three in Edmonton and one in Cochrane. The outcome of those will be clear in time, with their success determining if the Province would be willing to enter into any additional CRL type tax-incremental financing in the future.

5.3 Contributions to Theory and Research

The literature review showed limited research on the implications of municipal land development corporations to the planning and land use development processes in Canada. The role of the municipal land development corporation to advance City goals for more sustainable development has become more important to understand with the increased attention to public land management and the increased use of this type of model. The findings of this research, focusing on CMLC's experience, show that in the ever-increasing complexity of municipal planning, the introduction of a government land development corporation, as a new actor, can provide benefits to achieve city-wide development goals as well as to stimulating innovation in planning policy, process, and standards. Taking the role of a semi-private semi-public entity has allowed CMLC flexibility in its ability to balance existing regulations while acting as a catalyst to open opportunity for innovation in both planning policy and process. These findings can inform municipal elected officials, City staff, staff from development corporations, and private developers about where opportunities are, and where the challenges may need to be overcome, when establishing a municipal land development corporation.

The goal of this research was to provide information on the benefits of CMLC's work and to identify what lessons can be learned that may be informative to other municipalities interested in, or who have a municipal land development corporation. However, beyond answering the original research questions, the findings in this report also provide contributions to theory and research in three areas:

i) The review and discussion of the models of government land development management. Sections 3.1, 3.2 and 3.3 provide a summary of the topic including the role of each level of government, the experience of the 'corporate model', as well as the benefits and challenges to manage government assets. This study provides a broad overview and identifies where there are gaps in the literature.

ii) Discussion on the challenges to innovation and change in land development policy and process, found in section 3.4 of the literature review and then affirmed through the findings of CMLC's experiences in section 4.7.

iii) Discussion on the importance of government, specifically municipal planning staff, to bridge the gap between public and private actors involved in policy making and development approval processes. Section 4.6 speaks to the challenges for all actors in land development to change the longstanding culture of municipal planners as "regulators" in order to create relationships of collaboration with the private development industry.

5.4 Areas for Further Research

There are many other municipal land development corporations in Canada. Future research on these entities, following a similar methodology to that used here, would allow for a comparative analysis to be undertaken. Examples include Ottawa Community Lands Development Corporation, Winnipeg's CentreVenture Development Corporation, Surrey City Development Corporation, and Guelph Municipal Holdings Incorporated. Further research on another municipality's experience would build on the initial research provided in this study and would reveal patterns and differences in data. These patterns could contribute to general theories relating to operations such as separation from government, development approval process management, decision-making, partnerships, public engagement, shared objectives, and role in promoting innovation or improvement. The patterns can also be used to set targets with appropriate base lines for a comparable assessment of these types of government land development corporations in the future.

There is also value in research into the experience of Canada Lands Company (CLC), the federal land development corporation. CLC has worked on significant land development projects in the Currie Barracks areas of Calgary, Village at Greisbach in Edmonton, Garrison Crossing in Chilliwack, and Rockcliffe in Ottawa to name a few. Researchers should be mindful of the legislation differences at each level of government. An investigation into the relationships of CLC with the host municipality, private developers, and the general public, compared to those of CMLC and similar development agencies could provide insights into the impact different levels of government authority have on land-use development projects. One CMLC staff participant commented that compared to the CLC, CMLC has “a much tighter-knit relationship with the City – we’re like a cousin so we get some advantages to that”.

Beyond government land development corporations, there has also been a rise in University and Public Institutions that have established entities to manage development in effort to leverage the value in their land assets. Examples include the University of Winnipeg Community Renewal Corporation, the University of Calgary’s West Campus Land Trust, and Simon Fraser University’s Community Corporation operating in Surrey, BC. A similar comparative analysis between these entities would benefit this body of research.

As discussed at the end of section 4.2.1, an area for future research would be to investigate the impact of CMLC’s work on the social service providers, as well as on the more vulnerable population in the East Village area. Although outside of the scope of the intended study for this research, generating a deeper understanding of CMLC’s impact, or potential impact to the social providers and users of the social services could reveal new roles for the government land development corporation to take on. Both City and CMLC staff participants described CMLC as having built positive relationships with a number of the social service providers in the area, however none of the participants directly represented these organizations. Determining how inclusive CMLC’s process was based on the opinion of various users of the area, would provide a perspective on the Corporation’s role to meet City goals relating to social well-being. Questions for consideration here would be: How has CMLC integrated social initiatives into their planning? To what extent are projects linked to community development and social needs?

At the time of this research, CMLC’s work in East Village was not complete. For a fuller assessment of the impact and achievements of CMLC, it is recommended that future researchers return to the initial project objectives once the CRL and the infrastructure warrantee maintenance

period (held by CMLC or the developers) are complete. An evaluation based on performance indicators from CMLC's *Business Plan* (2015), listed in Section 4.1.2, should be completed at that time as well. An evaluation at that point would allow a more complete understanding of the impacts of CMLC's work on the City's wider objectives. Once the CRL is complete, further questions on the success of the tax increment financing tool, and whether that, or a similar tool, should be used to fund development in other areas could be assessed.

With the success of CMLC's work thus far, there has been discussion of CMLC's future role to manage other development projects in the City. When asked about CMLC's future work all interview participants anticipate new projects for CMLC, however no details were shared. How CMLC transitions into a new role could allow additional analysis on how the actions, operations and interactions between this agent and other public and private stakeholders impact policy or development process changes. Once CMLC's existing mandate is achieved, assessing how the Corporation's mandate evolves over time as political priorities, development market pressure, and financial structures and context shift would provide insight into the benefit and limitations of a government land development corporation. Any new research conducted would benefit from a wider variety of perspectives and a larger number of interview participants. The findings presented here are limited by the narrow representation of perceptions due to the small sample of participants interviewed and biases of participants' shared goals. To broaden the breadth of the conclusions, additional interviews showing a wider variety of perspectives could include: participants from City departments not directly assigned to achieving shared goals with CMLC; City staff from a variety of levels such as junior, intermediary and senior management; City Councillors; CMLC Board of Directors; community associations; business organizations; development and building associations such as the Urban Development Institute; additional private developers working within and outside of the East Village; and industry consultants.

This research informs the discussion on the role of government land development corporations providing a look into how this type of model can be used to promote innovation in municipal planning policy, development process and standards. Assessment of this model shows the importance of balancing the relationship between public and private actors in relation to control and influence on development and investment decisions which ultimately impact the landscape of a City. With key areas of future research presented, the role of the government land

development corporation should be carefully evaluated taking into account past experiences as the model continues to evolve.

References

- Adams, David. (1994). *Urban Planning and the Development Process*. London: ULC Press.
- Adams, D. & Hastings, E. M. (2001). Assessing Institutional Relations in Development Partnerships: The Land Development Corporation and the Hong Kong Government prior to 1997. *Urban Studies*, 38(9), 1473-1492.
- Beatley, T. (1997). *The ecology of place: Planning for environment, economy, and community*. Washington: Island Press.
- Beatley, T. & Conroy, M. M. (2007). Getting it Done: An exploration of US sustainability efforts in practice. *Planning, practice & research*, 22(1), 25-40.
- Berke, P. R. (2002). Does sustainable development offer a new direction for planning? Challenges for the twenty-first century. *Journal of planning literature*, 17(1), 21-36.
- Brilliant, E. (1975). *The Urban Development Corporation*. Toronto: Lexington Books.
- Calgary Drop-In and Rehab Center. (2015). *Annual Report – 2014/2015*. Calgary Drop-In and Rehab Centre, Calgary.
- Castree, N. (2003). Neoliberalism? Environment and Planning. *Society and Space*, (23), 509-512.
- CMHC. (2004). *Residential Intensification Case Study: Municipal Initiatives – CentreVenture Development Corporation*. Retrieved from <http://www.cmhc-schl.gc.ca/en/inpr/su/sucopl/upload/CentreVenture-Development-Corporation-Winnipeg-Manitoba.pdf>
- City of Calgary. (2007a). *Centre City Plan*. Land Use Planning & Policy, Planning, Development & Assessment Department: Calgary.
- City of Calgary. (2007b). *Rivers District Community Revitalization Plan*. Retrieved January 2016 from http://calgary.ca/CS/CPB/Documents/rivers/rivers_community_revitalization_plan.pdf
- City of Calgary. (2009). *The Implications of Alternative Growth Patterns on Infrastructure Costs*. City of Calgary: Calgary
- City of Calgary. (2010). *East Village Area Development Plan*. Land Use Planning & Policy, Planning, Development & Assessment Department: Calgary.
- City of Calgary. (2015a). *Engage! – East Village area redevelopment plan update*. Retrieved January 2016 from <http://www.calgary.ca/engage/Pages/East-Village.aspx#overview>

- City of Calgary. (2015b). *Seven Goals of the Municipal Development Plan*. Retrieved January 2016 from <http://www.calgary.ca/PDA/PD/Pages/Municipal-Development-Plan/Seven-goals.aspx#top>
- City of Calgary. (2016a). Calgary Policy Statistical Reports. Retrieved December 2016 from <http://www.calgary.ca/cps/Pages/Statistics/Calgary-Police-statistical-reports.aspx>
- City of Calgary. (2016b). Planning Systems. Received January 2016 from <http://www.calgary.ca/PDA/Pages/New-Planning-System.aspx>
- CMLC. (2009). *East Village Master Plan: Executive Summary*. Retrieved February 2016 from http://www.calgaryherald.com/pdf/East_Village_Master_Plan_ExSummary.pdf
- CMLC. (2013). *About CMLC*. Retrieved March 2013 from <http://www.calgarymlc.ca/about-cmlc>
- CMLC. (2014a). *Lessons Learned – September 8, 2014*. CMLC, Calgary.
- CMLC. (2014b). *Placemaking CMLC Annual Report 2014*. Retrieved July 2014 from <http://static1.squarespace.com/static/547dd9bfe4b0756a4a5e6c29/t/55806032e4b07cf30e707ce5/1434476594312/CMLC+Annual+Report+2014.pdf>
- CMLC. (2015). *2015 CMLC Business Plan Update*. Retrieved July 2015 from http://static1.squarespace.com/static/547dd9bfe4b0756a4a5e6c29/t/550863c3e4b0eb7bc55e3b52/1426613187303/CMLC_BusinessPlan_2015_FINAL.pdf
- Del Balso, M., & Lewis, A. (1997). *First steps: A guide to social research*. Scarborough: ITP Nelson.
- Dodman, D. (2008). Developers in the Public Interest? The Role of Urban Development Corporations in the Anglophone Caribbean. *The Geographical Journal*, 174(1), 30-44
- Federation of Canadian Municipalities (FCM). (1994). *Canada's National Overview of the Status, Challenges and Opportunities in Developing Urban Sustainability*. Canadian National Overview Report, 1994.
- Federation of Canadian Municipalities (FCM). (2009). *Alternative Development Standard: A Guide for Practitioners*. Affordability and Choice Today. Ottawa: FCM
- Friedmann, J. (1969). Notes on Societal Action. *Journal of the American Institute of Planners*. Sept. (36), 311-318.
- Gilchrist, V.J. & Williams, R.L. (1999). *Key Informant Interviews*. In Crabtree, B., & Miller, W. Doing, *Qualitative Research, 2nd Edition*. Thousand Oaks, CA: Sage Publications.

- Government of Canada (2011). *Treasury Board of Canada Secretariat. Guide to the Management of Real Property*. Retrieved May 4, 2014, from <http://www.tbs-sct.gc.ca/rpm-gbi/doc/gmrp-ggbi/gmrp-ggbi02-eng.asp>
- Government of Alberta, (2000). *Municipal Government Act*. Alberta Queen's Printer: Edmonton
- Government of Alberta (2007). *Understanding Land Use-use in Alberta*. Retrieved April 2, 2015 from <https://www.landuse.alberta.ca/PlanforAlberta/LanduseFramework/Pages/default.aspx>
- Gray, D. (2009). *Doing Research in the Real World*. London: Sage Publications.
- Healey, P. (2003). Collaborative Planning in Perspective. *Planning Theory* 2, 101-123.
- Horak, M. & Young, R. (Eds). (2012). *Sites of Governance: Multilevel Governance and Policy Making in Canada's Big Cities*. Montreal McGill –Queen's University Press.
- Imrie, R. & Thomas, H. (Eds). (1999). *British Urban Policy: An Evaluation of the Urban Development Corporations. Second Edition*. London: Paul Chapman Publishing.
- Ircha, M. & Young, R. (2013). (Eds). *Federal Property Policy in Canadian Municipalities*. McGill-Queens University Press.
- Kaganova, O. (2011). *International Experiences on Government Land Development Companies: What Can Be Learned? IDG Working Paper No. 2001-01*. The Urban Institute Centre on International Development and Governance.
- Kaganova, O. & McKellar, J. (Eds). (2006). *Managing Government Property Assets: International Experiences*. Washington DC: The UI Press.
- Kvale, S. (1996). *InterViews: An introduction to Qualitative Research Interviews*. London: Sage Publications.
- Landry, C. & Bianchini, F. (1995). Creativity: Unleashing a Resource for Urban Management. *Urban Future*, (17), 53-67.
- Lawless, P. (1988) Urban Development Corporation and their alternatives. *Cities*, (5), 277-289.
- McCann, E. & Ward, K. (2010. March). Relationality/territoriality: Toward a conceptualization of cities in the world. *Geoforum*, 41(2), 175-184.
- Mackintosh, M. (1992). Partnership: Issues of Policy and Negotiation, *Local Economy*, 7, 210-224.
- Maclaren, V., (1996). *Developing Indicators of Urban Sustainability: A Focus on the Canadian Experience*. ICURR Press, Toronto.
- Mapes, J. & Wolch, J. (2011). 'Living Green': The Promise and Pitfalls of New Sustainable Communities, *Journal of Urban Design*, 16(1), 105-126.

- McKellar, J. (2006). *Alternative Delivery Models: The Special Purpose Corporation in Canada*. In Kaganova, O. and McKellar, J. (Eds). (2006). *Managing Government Property Assets: International Experiences*. Washington, DC: The UI Press.
- Neuman, W. L. (2000). Analysis of qualitative data. In *Social research methods: qualitative and quantitative approaches*, Fourth Edition, 417-443. Boston: Allyn and Bacon.
- Noy, C. (2007). Sampling knowledge: The hermeneutics of snowball sampling in qualitative research. *International Journal of Social Research Methodology*, 11 (4), 327-344.
- OECD. (1996). *Innovative Policies for Sustainable Urban Development: The Ecological City*. OECD publications: France.
- OECD/ Mountford, D., (2009, November) Organising for local development: the role of local development agencies. *Summary Report*, 26-27. Retrieved November 19, 2016 from <http://www.oecd.org/cfe/leed/44682618.pdf>
- Peck, J. & Tickell, A. (2002). Liberalizing space. *Antipode*, (34), 380-404.
- Peck, S. & Tomalty, R. (2002). *Theory to practice: lessons learned from the use of performance assessment measures to implement sustainable communities: final report*. Ottawa: Canada Mortgage and Housing Corporation.
- Plan Canada. (2010, Winter). Declaration on Climate Change and Communities: A Call to Action. *Plan Canada*. 50 (4), 16-17.
- Pomeroy, S. (1997). *Professional Attitudes towards Alternative Development Standards*. Toronto: ICURR Publications.
- Robson, B. (1988). *Those Inner Cities, Reconciling the Economic and Social Aims of Urban Policy*, Oxford: Clarendon Press.
- Rondinelli, D. (2007). Urban Planning as Policy Analysis: Management of Urban Change. *Journal of the American Institute of Planners*. 39 (1), 13-22.
- Saint-Martin, D. (1998, Nov). Management Consultants, the State, and the Politics of Administrative Reform in Britain and Canada. *Administration & Society*, 30(5), 533-568.
- Self, P. (1993). *Government by the Market? The politics of Public Choice*. Houndsmill: Macmillan.
- Shaw, K. (1995). Assessing the Performance of Urban Development Corporations: How reliable are the official government output measures? *Planning Practice and Research*, 10, (3/4).
- Schneider, J. & Susser, I. (2003). *Wounded Cities: Destruction and Reconstruction in a Globalized World*. Oxford: Berg.

Smarter Growth Initiative, (2015). *The Changing Face of Calgary*. Retrieved January 2016 from <http://www.smartergrowth.ca/>

Spurr, P. (1976). *Land and Urban Development: A preliminary Study*. Toronto: James Lorimer & Company.

Sterrett, K., Murtagh, B., & Millar, G. (2005). The Social Turn and Urban Development Corporations. *Planning Practice & Research*, 20(4), 373-390.

Swyngedouw, E. (2005). Governance innovation and the Citizen: The Janus Face of Governance – Beyond-the-State. *Urban Studies*, 42(11), 1991-2006.

Throgmorton, J. (2008). *Collaborative planning for sustainability in the Iowa River Watershed*. Retrieved March 29, 2009, from Public Policy Center <http://ppc.uiowa.edu/dnn4/Default.aspx?tabid=272>

Tomalty, R. (1997). *The Compact Metropolis: Growth Management and Intensification in Vancouver, Toronto, and Montreal*. Toronto: ICURR Publications.

Witty, D. (2002). *Professional Practice Manual*. Canadian Institute of Planners.

Zeisel, J. (2006). Standardized questionnaires. Asking questions: topics and format. *Inquiry by design*, 257-310.

Appendices

Appendix A: East Village Development Parcels Map (CMLC, 2015, p. 71)



This map displays the development parcels of the East Village. It provides an overall view of the substantial land-holdings of the CMLC in comparison to the privately held parcels. It also shows the progress made by CMLC, as of February 2015, with many parcels sold for private development investment.

Appendix B: Invitation Email and Project Information Sheet

Invitation Email

Dear X,

I am a Masters student conducting research for my thesis project at the University of Manitoba with the City Planning Department. I'm interested in the opportunities and challenges of using the Government land development corporation model, such as the Calgary Municipal Land Corporation (CMLC) to guide urban development projects. I am conducting a case study specifically on the experience of CMLC redevelopment of the River's District.

Scenario A:

Based on your position and possible involvement with CMLC's work in the East Village, I'd be very interested to hear your perspective around the topic.

OR

Scenario B:

Thank you for providing Y with your contact information to give me. Y recommended you as a great resource on CMLC's work as you'd be able to provide your perspective from being involved with [Y's company's name and/or job description].

I'd like to invite you to officially participate in the study. Your participation in a one-hour interview, arranged at your convenience, would help me to collect the relevant data to complete my thesis project.

You will find additional information about my project in the attached file, as well as the certificate of consent you will be asked to sign if you decide to participate in the study. You do not need to sign it right now - if you agree to participate, we can do this when we meet for an interview.

This research project has been approved by the Joint-Faculty Research Ethics Board which can be contacted via the Human Ethics Coordinator (HEC) at XXX-XXX-XXXX or email XXXX@umanitoba.ca.

The University advisor for this researcher is Dr. David van Vliet. He can be reached at XXX-XXX-XXXX or email XXXX@umanitoba.ca.

If you are interested in participating, or have any questions, please contact me via email at XXXX@myumanitoba.ca, or by phone at XXX-XXX-XXXX.

Thank you so much for considering to take part in this project.

Jillian Geen
Email: XXXX@myumanitoba.ca

Project Information Sheet

Project Title:

The 'development corporation' as an alternative model for land development: The Case Study of Calgary Municipal Land Corporation.

Purpose of Research:

The purpose of this research is to identify the strengths and weaknesses of the 'Municipal Government Land Development Corporation' as a model of land development and public land management, with a specific interest in its ability to act as a catalyst for innovation in planning policy and processes. As municipalities advance alternative models for land development, analysis to determine the actual and potential role for, and challenges of, employing development corporations to manage urban development is considered to be important and timely. Using a case study of the City of Calgary's CMLC, the data gathered will help identify lessons learned that can be relevant to other jurisdictions/municipalities looking for alternative land development models or looking to improve their existing government land corporation. The information heard in the interview will be used for a Master's level Thesis Report.

Procedures:

If you decide to participate in this study, I will schedule a one-hour interview with you at a time and place that is convenient for you. The interview will cover topics including: your experience with CMLC's work; your knowledge of the performance of CMLC to meet its mandate in social, economic and environmental areas; the challenges and opportunities you perceive for this type of government land development corporation to meet local needs and those of the wider city; new relationships and opportunities for collaboration facilitated by CMLC; and what innovation in planning practices or development standards (if any) have emerged from CMLC's work in the redevelopment in the River's District.

With your permission, I would like to record this conversation on an audio recorder in order to reduce probability that I misinterpret your comments. Once the conversation has been transcribed, all audio files will be deleted, and the transcript will only be accessible by myself. You are completely free at any time during the interview to withdraw and have your information removed from the study or omit answers for any reason. Additionally, you will have 14 day (2 weeks) after completing the interview to have all of your information removed from the study.

Once I have analyzed all the information provided, if you consent I may contact you again to discuss the results of the study. The purpose of this discussion would be to gain a better understanding of the results obtained from the information you provided. You will only be contacted for a follow-up discussion if you give me permission to do so. I will also provide you with a brief summary of the results within a month of the interview via email, or otherwise requested by yourself.

The results of this study will be used in support of my graduate Thesis. The findings will be made available in hard copy, and online at the University of Manitoba's Library.

Confidentiality:

You will not be identified in the report nor will any personal information be released. Job titles will not be used, only general job descriptions and you will be referred to by a pseudonym in the final report and any publications. Names and job title will only be accessed by

myself and my academic supervisor. Your identity will be confidential, however, given the small sample size and the group of individuals used as a sample base all in similar industries, there is some risk for identification.

All recorded data will be kept completely confidential. Data will be kept on a password-protected computer.

If you have any further questions about this study, please feel free to contact myself Jillian Geen or my supervisor David van Vliet.

Thank you very much. Your input and time is greatly appreciated.

Jillian Geen

Email: XXXX@myumanitoba.ca

Phone: XXX-XXX-XXXX

Appendix C: Consent Form

City Planning
201 Russell Building
84 Curry Place
Winnipeg, Manitoba, R3T 2N2
Tel: (204) XXX-XXXX Fax: (204) XXX_XXXX



UNIVERSITY
OF MANITOBA

INDIVIDUAL CONSENT FORM

Research Project Title: The ‘development corporation’ as an alternative model for land development:
The Case Study of Calgary Municipal Land Corporation.

Investigator contact information: Jillian Geen
Graduate Student Department of City Planning, University of Manitoba
Email: XXXXj@myumanitoba.ca
Phone number: XXX-XXX-XXXX

University Advisor information: Dr. David van Vliet
Department of City Planning, University of Manitoba
Email: XXXX@umanitoba.ca

Consent:

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.

The purpose of this research is to identify the opportunities and challenges of using a municipal government land development corporation model, such as the Calgary Municipal Land Corporation (CMLC) to guide urban development projects. As a participant you will be asked questions related to your experience with CMLC in a one-hour interview. The interview will be recorded with an audio recorder. You will not be identified in the report nor will any personal information be released. Your identity will be confidential, however, given the small sample size and the group of individuals used as a sample base all in similar industries, there is some risk for identification. There are no direct benefits to participation. I will be transcribing the audio files and deleting both the audio and transcriptions within six months after the final Thesis is submitted. Both I and the academic advisor will have access to the data gathered. You are completely free at any time during the interview and within two weeks of the interview to withdraw from the study. If you choose to withdraw, your data will be destroyed. You can indicate your wish to withdraw by telling Jillian Geen in-person, by email or by phone. I will provide you with a summary of the results prior to the final submission of the Thesis via email or mail based on your preferred mode choice below. You may request and receive a debrief discussion. The results of this study will be used in support of my graduate Thesis. The findings

will be made available in hard copy, and online at the University of Manitoba's Library. Findings may be presented at academic meetings within the University, however there is no intent to publish the findings beyond the University. If there is a person you believed could be a potential participant in this research, please provide that person with the attached Project Information Sheet and should they choose they may contact me.

Preferred mode of receiving a summary of findings?

Email: _____ or

Mailing Address: _____

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 may look at your research records to see that the research is being done in a safe and proper way. 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 XXX-XXXX or XXXX@umanitoba.ca. A copy of this consent form has been given to you to keep for your records and reference.

Signature of Participant: _____

Date: _____

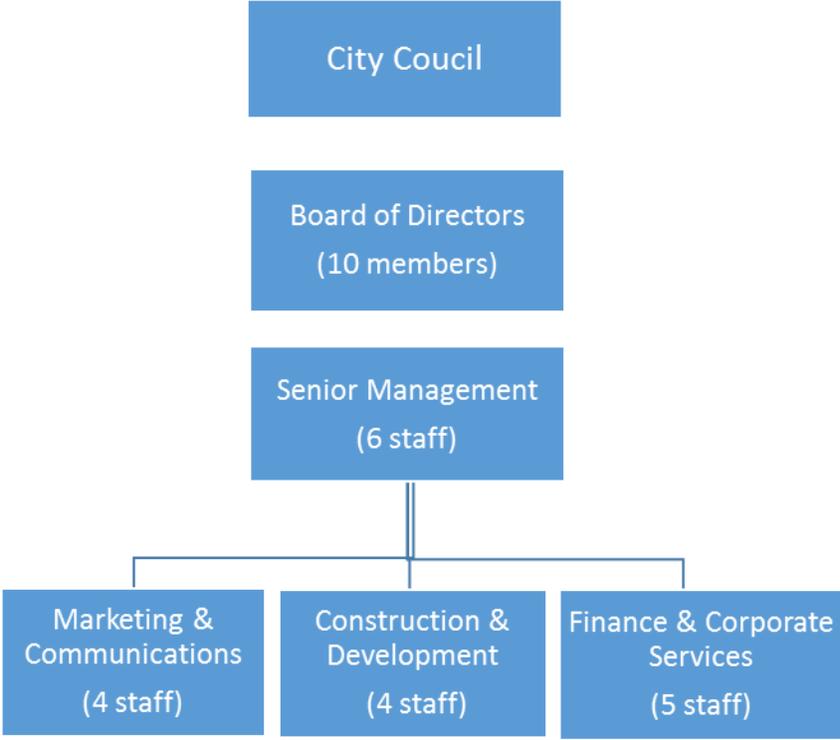
Name (please print): _____

Signature of Researcher: _____

Date: _____

Name (please print): _____

Appendix D: CMLC’s General Organizational Structure



Appendix E: Images from the East Village (Photos taken by Jillian Geen, 2016-2017)



Image #1: Riverwalk pathway looking east towards the George C. King Bridge (seen in the back left). The Riverwalk was one of the first infrastructure upgrades managed by CMLC. It provided a connection to, and across the East Village, which was crucial to attract people into the area. A public plaza space is located across from the bridge entrance (seen in the back right).

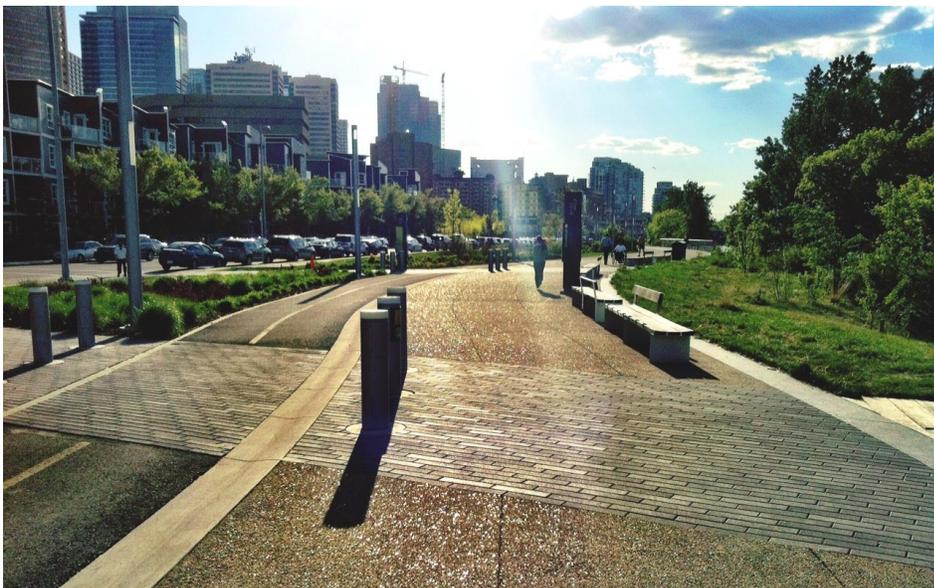


Image #2: Riverwalk pathway looking west and away from the East Village site.



Image #3: Looking south from the Riverwalk. The East Village Experience Center was built before the three towers seen in the background. It was located in the East Village to act as a hub for activity and to bring people into the site. The three towers are residential with commercial space on the main level.



Image #4: Public art piece THE SAME WAY BETTER/READER by Calgary artist Ron Moppett. This image also shows public realm improvements and a pedestrian only street constructed along the C-Train line.



Image #5: Located along the Riverwalk, the Simmons Building has undergone historical restoration. Formerly a mattress factory warehouse, the building is now home to three local retailers: two restaurants and a coffee shop. Opening up the north side of this building was a key piece to CMLC's Master Plan to activate the Riverwalk and plaza space.