What role should government play in Real Estate?
Protect the Public Interests

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Different Mandates, Different Roles, One Goal

Protecting the public interest: process and outcomes

• Role of government is to carry out tasks that would not be done by the market alone, in order to maximize public interest
  – Project specifications or land use designations that may not maximize financial value but provides most benefit to widest range of stakeholders

• Create processes that meaningfully engage stakeholders to ensure that all who want to have a chance to shape the operations of existing facilities and new developments that will take place in their communities

• Ensure government has the competencies to effectively manage the tasks they choose to keep in house and oversee the relationships they enter into with private sector stakeholders
  – Maintenance, renovations and new build

Challenges:

• Multiple Interests – often competing
• Varied organizational priorities
Get creative to maximize public interest
Use all levers available to generate value

Process

- **Government as Educator:**
  - Value of maintenance and new developments

- **Government as convener of stakeholders**
  - Meaningfully integrate stakeholder input to create better plans and projects
  - Use meaningful consultation to build support for controversial projects

- **Government as deal-maker**
  - Create processes that enable property managers the flexibility (with appropriate oversight) to explore non-standard deals or partnerships that further the public interest

- **Government as reliable and predictable partner**
  - Open and transparent with data necessary to understand implications of decisions

Outcomes

- Maximize use of existing buildings and spaces around and over top of them

- Planning permissions: density, land use and speed of approvals are major value generators

- Direct public investment in developments by private or charitable organizations where public benefit can be derived

- Direct benefiting agreements
Conclusions: Strategies to Protect the Public Interest

• Develop organizations with staff oriented to protect the public interest
  – Project structuring, execution and delivery:
    • maintenance and new build
  – Contract management
  – Community engagement
  – Open and transparent with data
  – Understanding of the ways that real estate decisions are both technical and political

• Maximize the collaborative advantage