



# 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