Cooperating to Compete Globally: How Cities, Provinces and the Federal Government Jointly Can Build Canadian Competitiveness

A Talk by Michael A. Goldberg

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Cities lie at the heart of global economy
Building globally competitive cities is vital
Core municipal tool is urban land policy
Will review competitive landscape
Discuss city roles in global economy
Discuss barriers/prospects for competitive Canadian cities
Cooperative use of ALL public property assets and investments can enhance competitiveness of cities

Thus enhancing Canadian competitiveness

City brands have huge value as do Canada/provinces
- Cooperate, cobrand, share property assets to propel ALL brands
- Use these assets to enhance hard infrastructure and enjoyability (pedestrian malls, parks, waterfront walks, cafes, etc.)

Integrate transport and land use at all levels, i.e.:
- Transport Canada, Ministries of Transportation and urban and regional transportation and planning units can cooperate to
  - Build underground/Plus15 walkways to link buildings and activities;
  - Use transit stations and transit line rights-of-way air rights for intense urban development including station area retail/services
  - Use port or other federal/provincial lands for housing/offices, etc.
  - Also use provincial urban sites for intense and gathering place uses
Economic restructuring

- Goods $\rightarrow$ services
- Natural $\rightarrow$ human resources
- Goods $\rightarrow$ information, knowledge, ideas

Demographic restructuring: aging, immigration, urban not rural growth

Global trade grows twice as fast as GDP
The Changing Global Context (cont.)

- Technological restructuring
  - machines replace people
  - information replace things
- Social restructuring
  - high pay low skill jobs ↓
  - income inequality ↑
- Depopulating resource regions
- Global integration
  - Outsourcing
  - Deregulation, reregulation
Cities and the Global Knowledge Economy I

- Drivers of global economy
- Information and decision centres
- Capital centres
- Knowledge centres
- Innovation centres
- Creativity centres
- Culture centres

http://www.econ.hokudai.ac.jp/~hasimoto/
Cities and the Global Knowledge Economy II

- Cities no longer minor actors
- Huge global urban competition for human capital
  - Education: attracts/retains best people
  - Tolerance, talent, technology
  - Cultural diversity – civic urban society
- All regions need strategy to prosper
- All regions need help from senior governments
- Cooperation, not competition, key to success
Cities and the Global Knowledge Economy III

- Strategic Assets of Cities
- Unique and valuable brands
- Agglomeration economies
- Diversity – stability
- Efficient urban form
- Quality of living environment
- Strong governance
- Openness to change & globalization
- Quality – quantity public goods
- Internal-external accessibility
- Educated flexible labour force
- Support services
Cities and the Global Knowledge Economy IV

- Strategic liabilities of cities
  - NIMBY-NIMTE resist change
  - Fragmentation, local competition
  - Income disparities
  - Vulnerability
  - Aging buildings and infrastructure
- Weak finances
  - Limited tax base and autonomy
  - Limited access to capital
  - Poor support from feds and provinces
  - Limited autonomy and power

http://www.benwiens.com
http://www.sensibletransportation.com
Key Federal Tools to Support Cities

- Build and maintain urban assets
  - Cultural buildings and institutions
  - Rapid transit
  - Use federal lands/buildings to enhance local competitiveness
- Build and support global ties: ports/airports/rail
- Help attract international agencies
- Locate federal agencies
- Fund education–research
- Support innovation
- Fund infrastructure
Key Provincial Tools to Support Cities

- Use provincial land and buildings to create more vibrant, lower cost and competitive cities
- Transport policy and funding
- Education–research funding
- Create strong regional and local governments
- Grant taxing powers
- Enhance autonomy
- Fund infrastructure
Investing in the local urban future: A multi-government cooperative agenda

- Communities must build shared visions
- Invest in people and ideas
- Continuously embrace change
- Cooperate to innovate
- Leadership – effective governance
- Spread such vision & leadership
- Tax and fiscal sharing
- Hard Infrastructure (roads, sewers, etc.)
- Public spaces
- Public buildings
Moving ahead cooperatively

- Build tri-level or four-level cooperative ideas
- Use each level’s strength to build partnering
- Feds can build on
  - International links, branding and services
  - Lands and buildings they own globally
  - Diverse and large taxing powers
- Province can
  - Devolve more powers to cities
  - Amalgamate and create more efficient cities
  - Create effective regional governments
    - Metro-wide governance forms
    - Special purpose authorities for transportation, waste and water management, environment and policing
- Cities can
  - Craft strategic, effective and flexible land use policies/processes
  - Integrate transportation and land use planning and investment
  - Create public spaces and realms for enjoyability and celebration
Thinking – Acting Cooperatively: Governance Issues and Barriers

- Let each level of government do what it does best
- Especially need regional government as supra-municipal regional fiduciaries
  - Local NIMBY – NIMTE block regional needs
  - No one speaks for region
  - Sydney is extreme cure
  - Senior intervention is key
Transport–land use integration: competitive key and cooperative focus

- 5 Key ideas vis-à-vis transport/land use
  - T/LU inseparable
  - T/LU core urban systems
  - Ignore one get surprises in other
  - Silos yield this outcome
  - Think systemically in integrated way

Source
Ignore one get negative impacts in the other

- Freeways fuel land use
  - Generate traffic
  - Lead to urban sprawl
  - Empty urban cores
  - Waste land, older buildings—neighbourhoods
  - Making transit less viable and
  - Creating demand for more freeways
Linking Urban Transport–Land Use–Density: All governments must cooperate on these

This mode ...

...and this one tie transport, density and land use
Using property assets to boost livability–competitiveness

- Pedestrian zones–walking cities
- Outdoor dining–cafes
- Street fairs–markets
Pedestrian zones and a walking city
Scarth Street Mall Regina

http://regaininpictures.blogspot.com/2008_09_01_archive
Sparks Street Mall Ottawa

http://www.flickr.com/photos/danielbeaton/2866204142/
Calgary Downtown Pedestrian Zone

http://farm3.static.flickr.com/2458/3608483463_811b65d2a2.jpg
Outdoor dining and waterside and sidewalk cafes
Shepherd Market London
Cafes on the Champs Elysees in Paris
A Small Square and Bistros in Paris
Riverwalk San Antonio
Thames River Walk
Street fairs and street markets
Street Market Buenos Aires

http://www.offbeattravel.com/the-visit-1.jpg
Portobello Road Street Market London

http://4.bp.blogspot.com/__MUF9Ou3FQk/TOoPej3t3yl/AAAAAAAASJM/Km4y7wBPkFA/s1600/portobello+markets.jpg
Rue Mouffetard Street Market Paris

http://parisbynumbers.files.wordpress.com/2010/03/mouffmarkt3.jpg
Housing affordability: Cooperating to use real property assets to aid competitiveness

- Decreasing affordability a huge threat to urban and national competitiveness
- Cooperating to use property of all governments can expand supply and improve affordability
- Won’t discuss federal tax and housing policy
- Just speak about use of federal and provincial real property assets
## Canada–10 least affordable cities 2011 (2009 rankings in parentheses)

(scores in red denote worsening of score)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Canadian Metropolitan Area</th>
<th>Rank (of 325) [2010 of 272]</th>
<th>Median Multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (1)</td>
<td>Vancouver, BC</td>
<td>324 (272)</td>
<td>10.6 (9.3)</td>
</tr>
<tr>
<td>3 (2)</td>
<td>Victoria, BC</td>
<td>309 (264)</td>
<td>6.8 (7.9)</td>
</tr>
<tr>
<td>2 (3)</td>
<td>Abbotsford, BC</td>
<td>313 (248)</td>
<td>7.0 (6.6)</td>
</tr>
<tr>
<td>4 (4)</td>
<td>Kelowna, BC</td>
<td>303 (232)</td>
<td>6.6 (5.9)</td>
</tr>
<tr>
<td>5 (5)</td>
<td>Toronto, ON</td>
<td>276 (215)</td>
<td>5.1 (5.2)</td>
</tr>
<tr>
<td>6 (6)</td>
<td>Montreal, QC</td>
<td>255 (200)</td>
<td>5.1 (4.9)</td>
</tr>
<tr>
<td>9 (7)</td>
<td>Calgary, AB</td>
<td>206 (188)</td>
<td>3.9 (4.6)</td>
</tr>
<tr>
<td>8 (8)</td>
<td>Saskatoon, SK</td>
<td>208 (183)</td>
<td>4.0 (4.4)</td>
</tr>
<tr>
<td>7 (9)</td>
<td>Hamilton, ON</td>
<td>221 (180)</td>
<td>4.2 (4.2)</td>
</tr>
<tr>
<td>8</td>
<td>Sherbrooke, QC</td>
<td>208 (150)</td>
<td>4.0 (3.8)</td>
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<tr>
<td>10</td>
<td>Quebec, QC</td>
<td>198 (112)</td>
<td>3.8 (3.4)</td>
</tr>
<tr>
<td>10</td>
<td>Peterborough, ON</td>
<td>198 (129)</td>
<td>3.8 (3.6)</td>
</tr>
</tbody>
</table>

Source: 8th and 6th Annual Demographia International Housing Affordability Survey: 2012 and 2010 Ratings for Metropolitan Markets in Australia, Canada, Republic of Ireland, New Zealand, United Kingdom, and United States (Data for 3rd Quarter 2011 and 2009)
Using federal property to promote housing affordability

- Explore using federal port lands for housing
- Use federal greenfield and brownfield urban lands for mixed use office and housing development
- Explore redeveloping existing federal buildings for mixed uses including housing
- Consider using federal lands as equity inputs to broader mixed use and housing developments
Using provincial property and powers to promote housing affordability

- Use provincial land to create affordable and market housing
- Explore using BC Housing properties to greater increase supply and density of affordable and market housing
- Use provincial powers to override local zoning to increase density for provincially owned land dedicated to housing
- Use transit r–o–w and station areas for dense housing development notably next to stations
Local roles to aid housing affordability

- Provide ample supply of housing development rights
  - Ample flexibly zoned land
  - Abundant development potential
  - Integrated transit–land use–density
  - Clear/fast/flexible approval processes
  - Reduce rent-seeking zoning
  - Promote housing innovation (row–housing, manufactured housing and modules, containers, etc.)

- Cut development costs
  - Clear defensible CACs, DCCs
  - Fast and low–cost rezoning processes
  - Building codes that promote innovation reduce costs
Conclusions

- Canadian urban regions can compete globally
  - Need cooperative efforts among all government levels
  - Need higher densities in cities
  - Need to exploit densities near transit stations
  - Need to make best and densest use of centrally located urban lands and properties owned by all governments
  - Need to have a new cooperative federalism among all levels of government

- Bottomline:
  - We must compete
  - We must cooperate
  - We have a tradition to do it
  - Let’s renew tradition