



Re-imagining civic improvements

A bold new approach is needed for all levels of government to maximize their public improvements on limited resources

By Nick Pryce

Article Summary

Financial challenges face cities across North America and the bones behind our cities are requiring significant financial investment as a result of neglect or need for replacement. The question arises as to how we can move forward with developing infrastructure that is more sustainable. Since the post-war boom in suburban development, there has been a realization that land use needs to become more efficient to create a more sustainable infrastructure model. This is resulting in government forcing developers to meet certain density requirements, and mix of uses, and pay for infrastructure related to the development. While this direction is needed, government also need to re-evaluate ways to become more efficient in the development of key infrastructure assets that benefit all. This article seeks to raise questions on how government could be taking the lead on mix use development and save on financial investments.

Résumé

Les problèmes financiers des villes un peu partout en Amérique du Nord et leurs obligations à l'égard des citoyens nécessitent des investissements financiers d'envergure en raison de déficits d'entretien ou de la nécessité de remplacement. La question qui se pose alors est de savoir comment instaurer un développement de l'infrastructure qui soit durable. Depuis le boom d'après-guerre du développement des banlieues, il est devenu évident qu'il faut rationaliser l'utilisation des sols pour créer un modèle plus durable pour nos infrastructures. Ceci amène les gouvernements à forcer les promoteurs à respecter certaines exigences de densité et d'utilisations mixtes, et à payer pour les infrastructures liées à leurs projets. Bien que cette façon de procéder s'impose, les gouvernements doivent aussi trouver des façons d'être plus efficaces dans l'implantation d'infrastructures qui profitent à tous. Cet article vise à soulever des questions sur la façon dont les gouvernements pourraient donner l'exemple sur les aménagements mixtes et ainsi réduire les investissements.

Our world is rapidly changing.

Economic changes, technological advancements, and evolving methods of communication are putting pressure on our society and environment. Youth and seniors are seeking different ways to live with a greater focus on community space in lieu of living space.

One significant change since the post-war boom in suburban development has been a realization that land use needs to become more efficient. Cities are encouraging developers to repurpose existing suburban areas by adopting policies that encourage infill and development of key nodes/corridors with an emphasis on mixed-use development. At the same time, municipalities are facing financial pressures to better manage the ever-increasing costs of sustaining and expanding our core infrastructure services of clean water, waste management, sanitary treatment, stormwater management, and our transportation systems. Taxes are the main tool for managing and maintaining this infrastructure, leading to financially

challenging issues and impacts on other desired capital planning for political leaders.

In addition to funding infrastructure services, our communities are charged with supporting significant capital projects from all levels of government. These services, which significantly contribute to community vitality and growth, include libraries, museums, rapid transit stations, schools, and major recreational facilities.

Evaluating governmental policy regarding municipal land use, coupled with their financial challenges, raises a key question: Can greater collaboration between municipal, provincial, and federal governments and the private sector better sustain and enhance our communities?

Bridging the capital gap

Government capital projects cost millions to construct and rely on the taxpayer as a primary source of financing. What if those capital costs were greatly reduced or removed, leaving only ongoing operating costs to fund? This is possible by integrating privately capitalized market demand uses into public projects.

The concept of Public-Private Partnerships (P3) has gained favour worldwide where it is used to finance massive infrastructure improvements. Common examples of this include the construction of toll roads or bridges, where private owners contribute to the cost of building the improvement in exchange for user fees.

The reality is that this concept of public and private integration on projects shouldn't be limited strictly to those projects that cost billions or hundreds of millions of dollars. Let's take the concept of a new public library on publicly owned land. Traditionally, the municipality and taxpayer would have to cover the construction cost, which could

easily be in the order of \$30 million dollars. Instead of paying for the construction costs, the municipality could reach out to the private sector to develop a design that incorporates the library with residential accommodation. The developer would pay to construct the building, and the municipality would donate the land at no cost. The municipality receives the following benefits:

1. The \$30 million of construction costs are covered by the developer, freeing up funds that could be used for other important capital projects such as maintaining or expanding core infrastructure assets.
2. The municipality has more influence and control over the design, establishing architectural standards, enhancing surrounding properties, and creating a civic icon.
3. Integrating affordable residential dwellings could satisfy a marketplace need or address a municipal housing initiative, creating an attractive environment for younger generations or seniors.

This is only one example of how we can be more creative in the way we construct new government assets. Other examples of mixed-use environments that blend municipal land assets and privately capitalized development include:

- LRT stations/Railway stations – utilizing the airspace above the ROW to add development of residential or office uses;
- Schools – incorporating privately run senior facilities on the lands and sharing in the use of facilities provided by the school;
- Recreational facilities – utilizing the airspace above the structure to incorporate residential or office uses;
- Government office buildings – integrating residential users above office towers;
- Museums – integrating this programming application with other government

services such as a library, recreational facility, and possible residential uses in the airspace above.

- Emergency Services – integration of fire, ambulance facilities, and possibly police.

Tackling the challenges

Integration of projects that involve public-private partnerships is subject to challenges. Primary among these is the fact that this level of cooperation for mutual benefit on 'big-dollar' projects is not common.

A reflexive attitude that government and private business do not share ideologies, approaches or goals is one. Others include:

1. Government generally works in silos and bridging the divides between different groups – especially within large organizations that have agendas that do not align with the concept of integration – can quickly kill such a concept.
2. Public perception that government investment is too integrated with private sector investment, potentially fostering an impression of conflict of interest.
3. Government and the private sector operate at different speeds. Private partners may find the often-lengthy public input, budget review, and approvals process to be frustrating.

Ideology can often be the hardest obstacle to overcome. Despite agreements surrounding the eventual benefit and recognition that this is a common-sense approach, divergent political objectives may prevent projects from moving beyond the starting line.

A key to overcoming the challenges is to have people in leadership and decision-making positions that embrace the concept, recognize the value of the core objectives and the benefits, and address the challenges with a spirit of collaboration, innovation, and integration. Governments are large



City of Edmonton Public Library
Source: Nick Pryce 2017



Strathcona Bus Terminal
Source: Nick Pryce 2017



George P Nicholson School
Source: Nick Pryce 2017

institutional machines that require skilled leadership and the right mindset to work to break down the separate silos. Any perceived conflict of interest resulting from cooperation between government and the private sector can be addressed by making certain the process is transparent and includes an independent review to monitor the process.

Assessing the benefits

This collaborative approach provides economic, social, and environmental benefits to the community. Further, it demonstrates that government not only encourages mixed-use development but also is prepared to lead by example. Ultimately, this concept also has significant benefits that strongly speak to the pillars of sustainability. The following is a breakdown on these benefits:

Economic – As previously mentioned, development capital costs can be offset by integrating other uses. The savings can be used to fund the programming of the public use and/or support core infrastructure improvements, reducing pressure on the tax base. Mixed-use environments also attract consumers – as well as residents, in the case of residential mixed-use projects – who spend money within the facility and in the surrounding community. Residents of the facility will also contribute to the growth of the municipal tax base. More globally, integrating two uses on one parcel of land offers additional economies related to reducing land consumption and construction costs of two structures vs. one, ongoing operating efficiencies, and reduced burden on municipal infrastructure created by developmental sprawl.

Environmental – The integration of uses reduces the building footprint, reducing the pressure on greenfield land. Other benefits of integrated uses include a reduction in construction materials, more ability to direct funds toward incorporating renewable energy sources, and the opportunity to gain efficiencies in building management systems such as waste collection and removal.

Social – People are seeking communities that create a sense of place, reduce stress, increase accessibility and reduce dependency on the motor vehicle. Having the opportunity to easily access services such as recreational facilities, libraries, and other government facilities contributes to creating this sense of community. This model provides opportunities



Source: Nick Pryce (2016)



Rendering prepared by Dnyanesh Deshpande, Green Space Alliance

for municipalities to partner with private sector companies that address high-demand needs for seniors and affordable housing within a cost-effective framework. Even if the private sector is not involved, government can still become more efficient about developing and using new civic buildings and providing greater integration of uses that contribute more value to our communities.

Seizing the moment

While challenges exist, we cannot afford to think in silos and continue to develop singular, stand-alone public assets. Our society needs a more positive approach to public-private collaboration to the benefit of all citizens. While some efforts have been made towards integrated development, we need to go much further. To ignore the potential of integrated uses within public buildings is not in the best interests of

the general public, and fails to increase the sustainability of our communities and demonstrate civic leadership.

The key element to achieving a functional attractive mixed-use environment comes down to the design of the building and space around it. Typically, we envisage our key civic structures as needing to be architectural icons. This concept does not need to change simply because the structure has multiple functions. To maximize our investment in and the societal benefit of our public structures, we need to challenge ourselves to become more creative and more efficient in how we plan for, develop, construct, and use our institutional buildings. To achieve this mindset requires a paradigm shift in the manner in which we manage public assets.

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