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External Research Program



Site Control for Sustainable Community Development



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Final Report:

Site Control for Sustainable Community Development

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Abstract

Communities are increasingly turning to sustainable development frameworks as a means of integrating planning priorities, improving public participation, leveraging resources, and as a way of generating creative and practical solutions to shared economic, environmental and social problems (Roseland, 2005). Much of the research and practice related to sustainable community development has focused on incorporating sustainability principles into existing planning processes. However, there remains a significant gap between sustainable community development *planning* and *implementation*. Local land use decisions and real estate development is one area that is of critical importance to communities and provides a tangible example of this gap, suggesting that new thinking is required about the land development process, the role of site control and it's relationship to sustainable community development.

This paper investigates case studies in Nelson and Victoria, BC where site control and ownership played a significant role in ensuring that land use and development outcomes were aligned with the community's vision for the site and were supportive of sustainability principles. The results of this research suggest while improvements to the land use planning process are important, site control actors are required that can play a proactive role in land use development to promote and demonstrate the tangible benefits of sustainable community development.

Executive Summary

The recent emphasis placed on sustainable community planning by all levels of government has resulted in numerous examples of comprehensive, sustainable community development plans across Canada. These planning initiatives have also been successful in garnering international recognition as best practices, thanks in part to support from CMHC. The challenge for most communities, however, is moving beyond community-wide planning and into site-by-site implementation.

The consequences of the inadequate implementation of SD plans are significant and include: 1) increased public scepticism regarding the value of participating in planning processes, and the value of the sustainable development concept as a tool for change; 2) continued erosion of economic, social, and natural capital as a result of a non-integrated planning processes; and 3) lost opportunities as key land and infrastructure are developed with little regard for long-term local sustainability and community development.

The focus of this paper is on identifying tools to bridge this implementation gap in land use and development. The results of the research are presented in four main sections that are summarized below:

The first section defines sustainable community development (SCD), presents the community capital framework and outlines key land issues in SCD.

SCD is defined as the processes by which communities initiate and generate strategies for creating dynamic, enduring and renewable community structures that balance economic, social and environmental needs. The community capital framework describes communities in terms of six different types of assets (or capital): natural, physical, economic, human, social and cultural (see Appendix 1 for a complete discussion). The goal of sustainable community development, therefore, is to adopt strategies and structures that mobilize citizens and their governments in the quantitative and qualitative improvement of all six forms of capital.

Sustainable land development requires changes to both the policy climate and the market climate. The focus of the majority of the research to date has been on providing guidebooks and toolkits for land use planning processes, regulations and related policies. However, the rapid pace of “unsustainable” real estate development continues to outstrip the capacity of innovative policies to curtail it. Clearly, there is a need for parallel market interventions that support sustainability outcomes; this research investigates the role of “site control” in achieving sustainable community development.

The second section presents site control definitions and tools for sustainable community development.

In conventional real estate development, the term “site control” refers to having ownership rights for a particular site, for example through fee simple ownership or a purchase agreement. We therefore define site control for sustainable community development as *“the process of securing strategically significant parcels of land until the necessary mechanisms are in place to develop the land in a sustainable manner.”*

As in the table below, the land development process can be thought of as consisting of three interrelated stages: site control, site development and implementation. A myriad of tools are available for actors (e.g. community groups, businesses, government, NGOs etc.) to engage in the land development process and influence outcomes.

Table: Elements and Influences in Land Development

	Site Control	Site Development	Implementation
Key Activities	<ul style="list-style-type: none"> –Land assembly –Site development concept 	<ul style="list-style-type: none"> –Development permit, design guidelines and/or zoning process 	<ul style="list-style-type: none"> –Building permit and construction –Enters market
Influence Tools	<ul style="list-style-type: none"> –Direct purchase and type of ownership (e.g. Co-op, corporation) –Contracts and development agreements –Covenants and easements –Education, lobbying, etc. to influence owners –Market conditions and demand 	<ul style="list-style-type: none"> –Permits –Regulations, codes and bylaws (e.g zoning, building code, etc.) –Planning documents (OCP, LAP, etc.) –Design guidelines –Public processes (rezoning, consultation, hearings...) –Education, lobbying, etc. to influence stakeholders 	<ul style="list-style-type: none"> –Purchase, lease or rent –Regulations, codes and bylaws –Market demand

There are two main strategies for intervening in the site control stage to influence land use development so that development outcomes match sustainability principles. The first is to influence owners as they formulate the development concept for particular sites before they enter into the formal site development process. This approach is ultimately dependent on land owners that are committed to collaboration and consultation and on a supportive planning and development context that is oriented towards SCD objectives.

The second way to intervene in the site control stage is to acquire ownership rights. Actors or partnerships of actors committed to sustainability can obtain ownership control, and through development agreements, contracts or covenants, can attach specific development goals or restrictions to the title of the land. A variety of site control tools and actors are presented in *Section 2.4 – Site Control Tools and Actors*.

The third section reports on our case studies in Nelson and Victoria which provide two approaches to site control for sustainable community development.

The role of ownership and site control in determining land use and development outcomes was explored in two British Columbian case studies: a waterfront development in Nelson, BC and the Dockside development in Victoria BC.

Both case studies demonstrate the need for ownership actors committed to sustainable community development, particularly when the planning process is not oriented towards sustainability. In Nelson, ‘sustainable’ site control was dependent on a community organization having financial resources, a detailed vision for the site and the ability to respond quickly in the local real estate market to ensure that redevelopment of a strategic

waterfront property matched the values and vision articulated by the community. In Victoria, the municipality obtained site control. As an owner committed to sustainable community development principles, the City of Victoria was able to use innovative evaluation mechanisms (e.g. triple-bottom line criteria for choosing the developer, collaboration with the community) and tools (e.g. a detailed purchase agreement to ensure triple-bottom line outcomes). Despite their regulatory capacity, the tools used to ensure accountability to the sustainable vision for the site were not regulations or bylaws; rather they were the conventional ownership tools of contracts, financial penalties and covenants.

The report concludes with a discussion and recommendations for promoting site control for sustainable community development.

The results of this research project indicate that until such time that all land use planning processes are oriented towards sustainability objectives, site control actors are required that can play a proactive role in land use development and engage in “sustainable real estate speculation” based on triple-bottom line principles. Three broad recommendations are presented (*see Section 4.2 Recommendations*):

- ***1. New Actors - Sustainable Real Estate Development Corporations***
Such actors would focus on identifying, and assembling strategic sites and then ensuring their development according to sustainability principles. They would acquire ownership and development rights to sites and then modify them as needed (e.g. through rezoning or covenants) to create SCD “development-ready sites” that are legally structured to ensure sustainable development outcomes.
- ***2. Financial Incentives***
Another way to foster sustainable real estate speculation for site control is to provide financial tools and incentives for existing actors to engage in site control for sustainable community development. A national revolving loan fund to support municipality and community partnerships could finance the strategic acquisition of properties to obtain site control for SCD. Federal tax credits are another option to encourage new and existing actors to engage in sustainable real estate speculation.
- ***3. Research and Capacity Building***
Further research is needed to articulate the business case for the sustainable real estate development actors described above, including the development of toolkits and best-practices guides.

While work on orienting local land use planning toward sustainability continues, support for site control will provide three key benefits to communities. First, it will ensure that key strategic sites are developed to their full sustainability potential. Second, site control for SCD will provide tangible examples of sustainable land use developments in communities across the country. Finally, developments that arise from site control for SCD will provide the opportunity to test and refine changes to the land use planning process as the barriers to local sustainability are addressed and the gap closed between planning and implementation.

Synthèse générale

Compte tenu de l'importance qui a été accordée à la planification de collectivités durables à tous les échelons des administrations publiques, il en a résulté de nombreux exemples exhaustifs de plans d'aménagement communautaires durables, partout au Canada. Ces initiatives de planification ont également fait l'objet d'une reconnaissance internationale à titre de pratique exemplaire, grâce en partie à la SCHL. La difficulté majeure pour les collectivités, toutefois, tient à ce qu'elles doivent maintenant passer de la planification d'ensemble à la mise en œuvre sur le terrain.

Les conséquences d'une mise en œuvre déficiente des plans de développement durable sont considérables et comprennent : 1) un scepticisme grandissant du public à l'égard de l'utilité de participer aux processus de planification et de la valeur du concept de développement durable en tant qu'outil de changement; 2) l'érosion permanente du capital économique, social, et naturel résultant de processus de planification non intégrés; et 3) des occasions perdues, à mesure que les terrains et les infrastructures sont aménagés, avec peu de considération pour la durabilité à long terme locale et le développement communautaire.

Dans ce document, on a mis la priorité sur la détermination des outils permettant de combler cet écart au chapitre de l'utilisation des sols et de l'aménagement. Les résultats de la recherche sont répartis dans quatre grandes sections, lesquelles sont résumées ci-dessous :

La première section définit le développement communautaire durable, et brosse un tableau du cadre d'investissement communautaire et des enjeux majeurs liés à l'utilisation des sols en matière de développement communautaire durable.

Le développement communautaire durable se définit comme les processus par lequel les collectivités produisent et génèrent des stratégies visant à créer des structures dynamiques, durables et renouvelables qui mettent dans la balance les besoins économiques, sociaux et environnementaux. Le cadre d'investissement communautaire décrit les collectivités en fonction de six catégories d'actifs (ou de capital) : naturel, physique, économique, humain, social et culturel (cf. l'Annexe 1 pour en savoir davantage). Le développement communautaire durable a donc pour objectif d'adopter des stratégies et des structures qui mobilisent les citoyens et les pouvoirs publics à l'égard des améliorations quantitatives et qualitatives à apporter aux six catégories de capital.

L'aménagement du territoire requiert des changements tant au chapitre du climat politique que du climat du marché. La majorité des recherches effectuées à ce jour ont plutôt cherché à produire des guides et à fournir des outils servant au processus de planification d'utilisation des sols, de la réglementation et des politiques connexes. Toutefois, le rythme rapide des aménagements immobiliers « non durables » continue de faire échec à la capacité des politiques innovatrices à les endiguer. Manifestement, il faut des interventions de marché parallèles qui garantissent des résultats durables; la présente étude examine en détail le rôle du « contrôle des sites » aux fins d'aménagement de collectivités durables.

La deuxième section renferme des définitions du contrôle des sites et des outils servant au développement durable des collectivités.

Dans le cas des aménagements immobiliers traditionnels, on entend par le terme « contrôle du site » le droit de propriété par rapport à un emplacement en particulier, par l'entremise d'un droit de propriété direct ou d'une convention d'achat. On a donc défini le contrôle des sites à des fins d'aménagement communautaire durable comme étant « *le processus par lequel on acquiert des parcelles de terrains d'importance stratégique jusqu'à ce des mécanismes permettant un aménagement durable de ces mêmes terrains soient en place* ».

Comme montré dans le tableau ci-dessous, le processus d'aménagement des terrains peut prendre la forme de trois étapes étroitement liées : le contrôle des sites, la viabilisation et la mise en œuvre. Les intervenants (c'est-à-dire les groupes communautaires, les entreprises, les gouvernements, les O.N.G., etc.) disposent d'une kyrielle d'outils qui leur permettent d'intervenir dans le processus d'aménagement des terrains et d'influer sur les résultats.

Tableau : Éléments et influences en matière d'aménagement de terrains

	Contrôle des sites	Viabilisation	Mise en œuvre
Activités clés	<ul style="list-style-type: none">– Regroupement des terrains– Concept d'aménagement	<ul style="list-style-type: none">– Permis d'aménagement, directives de conception et processus de zonage	<ul style="list-style-type: none">– Permis de construire et construction– Arrivée sur le marché
Outils d'influence	<ul style="list-style-type: none">– Achat direct et catégorie de propriété (c'est-à-dire coopérative, entreprise)– Contrats et conventions d'aménagement– Clauses restrictives et servitudes– Sensibilisation, lobbying, etc. afin d'influencer les propriétaires– Conditions et demande du marché	<ul style="list-style-type: none">– Permis– Règlements et codes (p. ex., zonage, code du bâtiment, etc.)– Documents d'urbanisme (plan officiel, plan d'aménagement local, etc.)– Directives de conception– Démarches publiques (rezonage, consultation, audiences, etc.)– Sensibilisation, etc., afin d'influencer les intervenants	<ul style="list-style-type: none">– Achat, location ou location à bail– Réglementation et codes– Niveau de la demande du marché

On privilégie deux stratégies d'intervention à l'étape du contrôle des sites pour influencer sur l'aménagement des terrains de manière à ce que les résultats obtenus soient conformes aux principes de durabilité. La première stratégie consiste à influencer les propriétaires à mesure qu'ils formulent leur concept d'aménagement quant à un site en particulier, avant qu'ils n'arrivent au processus d'aménagement de l'emplacement. Cette approche repose ultimement sur des propriétaires fonciers qui sont prêts à collaborer et à participer à des consultations, et sur un contexte de planification et de développement orienté sur des objectifs de développement communautaire durable.

La deuxième façon d'intervenir à l'étape du contrôle des sites est d'acquérir les droits de propriété. Les intervenants ou les partenariats d'intervenants qui se sont engagés par rapport au développement durable, peuvent obtenir le contrôle des droits de propriété, et par l'entremise de conventions d'aménagement, de contrats ou d'engagements, peuvent annexer des buts particuliers d'aménagement ou des restrictions sur les titres de propriété. On présente dans la *Section 2.4, Outils et intervenants de contrôle des sites*, une gamme d'outils et d'intervenants de contrôle des sites.

La troisième section fait état des études de cas à Nelson et à Victoria lesquelles fournissent deux formules de contrôle des sites en vue du développement communautaire durable.

On a examiné l'incidence de la propriété et du contrôle des sites sur la détermination des résultats de l'utilisation et de l'aménagement des terrains dans deux études de cas en Colombie-Britannique : un aménagement de terrain riverain à Nelson, et l'aménagement Dockside à Victoria.

Dans les deux cas, on a montré la nécessité d'avoir recours à des propriétaires intervenants voués aux principes du développement communautaire durable, en particulier lorsque le processus de planification n'est pas axé sur la durabilité. À Nelson, le contrôle « durable » du site a été possible grâce à un organisme communautaire pourvu de ressources financières, et ayant une vision pour l'emplacement et une capacité de réponse rapide au marché immobilier local, de sorte que le réaménagement des terrains stratégiques riverains s'aligne sur les valeurs et la vision articulée par la collectivité. À Victoria, la municipalité avait acquis le contrôle des sites. À titre de propriétaire qui souscrit aux principes de développement communautaire durable, la ville de Victoria a été en mesure de faire appel à des mécanismes d'évaluation novateurs (c'est-à-dire aux critères du triple facteur décisif pour le choix du promoteur et la collaboration avec la communauté) et des outils (c'est-à-dire, convention d'achat détaillée afin de garantir des résultats qui soient conformes au triple facteur décisif). Malgré leur nature réglementaire, les outils utilisés pour garantir le respect de la vision de développement durable pour le site ne consistaient pas de règlements; il s'agissait plutôt d'outils traditionnels de droit de propriété, comme les contrats, les clauses de pénalité financière et les clauses restrictives.

Les auteurs du rapport concluent sur une analyse et des recommandations visant à promouvoir le contrôle des sites à des fins de développement de communautés durables.

Les résultats de la recherche indiquent que tant et aussi longtemps que l'aménagement du territoire ne sera pas orienté sur des objectifs de durabilité, il faut des intervenants de contrôle des sites qui ont la capacité d'être proactifs dans le domaine de l'utilisation des sols et de s'engager dans « la spéculation immobilière durable » fondée sur les principes du triple facteur décisif. Trois grandes recommandations y sont présentées accompagnées de suggestions pour la SCHL (cf. la *Section, 4.2 Recommandations*) :

– 1. Nouveaux intervenants – Entreprises de développement immobilier écologiques

Ces intervenants s'affairent à trouver et à regrouper les terrains stratégiques, puis font en sorte que leur aménagement s'effectue suivant les principes de développement durable. Ils acquerraient les droits de propriété et d'aménagement des sites, pour ensuite les modifier au besoin (c'est-à-dire par le rezonage ou des clauses restrictives) afin de créer des « sites prêts à aménager » suivant les principes du développement communautaire durable, qui ont une structure juridique qui permet de produire des résultats durables.

– ***2. Mesures incitatives financières***

Une autre façon de susciter la spéculation immobilière durable en matière de contrôle des sites consiste à fournir des outils et des mesures incitatives financières qui permettent aux intervenants de participer au contrôle des sites pour en assurer le développement communautaire durable. À l'aide d'un fonds renouvelable national visant à soutenir les municipalités et les partenariats communautaires, il serait possible de financer l'acquisition stratégique de propriétés afin d'obtenir le contrôle des sites pour le développement communautaire durable. Des crédits d'impôt fédéraux sont un autre moyen qui permet d'encourager les intervenants, nouveaux et courants, à s'intéresser à la spéculation immobilière durable.

– ***3. Recherche et développement des capacités***

Il faut davantage de recherches afin d'arriver à articuler une analyse de rentabilité à l'intention des intervenants du développement immobilier durable décrits ci-dessus, y compris l'élaboration d'une trousse d'outils et de guides de pratiques exemplaires.

Bien que les travaux d'aiguillage en matière d'aménagement du territoire durable soient en cours, le soutien apporté au contrôle des sites engendrera trois avantages stratégiques pour la collectivité. D'abord, il permettra que les sites stratégiques importants soient aménagés suivant leurs pleines possibilités durables. Par la suite, le contrôle des sites en vue du développement communautaire durable fournira des exemples tangibles d'aménagement du territoire de manière durable dans des collectivités partout au pays. Enfin, les aménagements qui sont issus du contrôle des sites visant le développement communautaire durable donneront l'occasion de mettre à l'essai et de peaufiner les changements apportés à l'aménagement du territoire, à mesure que les obstacles à la durabilité locale sont surmontés, et que l'écart entre la planification et la mise en œuvre est comblé.



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Introduction

Our quality of life is closely related to the design and nature of the homes, neighbourhoods and communities in which we live. Recognition of the link between quality of life issues and the environment has been at the foundation of the rapid expansion of sustainable development planning on a global and local scale over the last decade (ICLEI, 2002).

The recent emphasis placed on sustainable community planning by all levels of government has resulted in numerous examples of comprehensive, sustainable community development plans across Canada. These planning initiatives have also been successful in garnering international recognition as best practices, thanks in part to support from CMHC. The challenge for most communities, however, is moving beyond community-wide planning and into site-by-site implementation. The focus of this paper is on identifying tools to bridge this implementation gap in land use and development.

Sustainable land development requires changes to both the policy climate and the market climate. The focus of the majority of the research to date has been on providing guidebooks and toolkits for land use planning processes, regulations and related policies. However, the rapid pace of “unsustainable” real estate development continues to outstrip the capacity of innovative policies to curtail it. Clearly, there is a need for parallel market interventions that support sustainability outcomes.

One area where this is particularly apparent is in land use developments and in land assembly. As “sustainably” planned and zoned parcels of land come onto the market, developers committed to sustainable community development may not be able to assemble enough land (or strategic parcels of land) in a timely and cost-effective fashion, especially in a competitive urban real estate market, to ensure that those parcels are developed in a manner that reflects sustainability values. This suggests there is a need for site control. We define site control for sustainable community development as *“the process of securing strategically significant parcels of land until the necessary mechanisms are in place to develop the land in a sustainable manner.”*

This paper investigates the role of ownership and site control in determining land use and development outcomes in two British Columbian case studies: a waterfront development in Nelson, BC and the Dockside development in Victoria BC. In both cases the land owners worked to ensure that site development was aligned with the community’s vision and supported sustainability.

The report is divided into four main sections. The first section discusses sustainable community development (SCD), introduces our community capital framework and presents key issues related to land and SCD. The second section presents site control definitions and tools for sustainable community development. The third section reports on our case studies in Nelson and Victoria which provide two approaches to site control for sustainable community development. The report concludes with a discussion and recommendations for promoting site control for sustainable community development.

1 Defining Sustainable Community Development

Sustainable development is defined as development that meets the needs of current generations without compromising the ability of future generations to meet their own needs (WCED, 1987). It is a concept that has been recognized as a worthwhile goal by government, the private sector, individuals and community organizations, yet at the same time has been interpreted in a number of different and often competing ways. At its most fundamental level, sustainable development is a response to the mismatch between increasing societal demands and the decreasing ability of finite natural systems to cope with those demands (Williams and Millington, 2004).

At global and national levels, the Rio commitments to Agenda 21 and the Johannesburg plan of implementation demonstrate national commitments to sustainable development, although concrete actions are more difficult to identify. The Centre for Sustainable Community Development (CSCD) is one of a handful of organizations that is advancing the concept of sustainable community development (SCD) by applying the concept of sustainable development at the community level. Communities¹ are considered the appropriate locus for applying sustainable development principles as they are the most affected by global social, environmental and economic trends, as well as being the only locally elected, representative and accountable bodies responsible for community decision-making (Beatley, 2000; Brugmann 1994; ICLEI, 2002; Parkinson & Roseland 2002; Roseland 2005). It is at the local level where significant and tangible action towards implementation can be observed.

SCD takes the global concept of sustainable development, and applies it at the local level. The CSCD defines SCD as the processes by which communities initiate and generate strategies for creating dynamic, enduring and renewable community structures that balance economic, social and environmental needs

Sustainable community development presents a paradigm or worldview with significant implications for governance and decision-making. While definitions of SCD vary, based on locally specific needs, priorities and actions, there are five practical principles or values that give sustainable community development tangible meaning (Jacobs, 1993; Roseland, 2005; Hamstead and Quinn, 2005):

1. **Participatory Processes:** SCD requires an interdisciplinary, multi-stakeholder and participatory approach for the identification of needs, priorities and actions at the community level.
2. **Prioritizing Natural Capital:** SCD prioritizes natural capital, where the limits to growth are explicitly acknowledged and where the social and ecological implications of our everyday consumption decisions are recognized. We must, therefore, minimize our use of natural capital, as our natural capital assets cannot be substituted with manufactured capital assets.

¹ We recognize that communities can be defined in a variety of ways (i.e. communities of place or communities of interests). The term community is used here to refer to geographic communities of place represented by a municipal, local or band form of government (Roseland, 2005).

3. **Development vs. Growth:** SCD requires the adoption of different measures of success that account for the difference between quality of life and standard of living and between local economic growth and local development.
4. **Multiple Bottom Lines:** SCD emphasizes that the preservation of natural capital and the promotion of sustainability are both socially and economically beneficial.
5. **Equity:** SCD emphasizes the need for inter- and intra-generational equity in all discussions of sustainability. Social inequality disrupts the characteristics (trust, imagination, compassion, relationships) that make up social capital.

A commitment to sustainability, therefore, requires a commitment to considering these five broad principles in all decision-making. Roseland's (2005) community capital framework provides a foundation for understanding and implementing sustainable community development.

1.1 The Community Capital Framework

The community capital framework builds on the definition and principles above and presents a means of understanding how they are applied at the community level. At the highest level, a sustainable community is one that meets the needs of current generations without jeopardizing the ability of future generations to meet their own needs.

The community capital framework (see Figure 1 below) (Roseland, 2005) suggests that communities can be thought of in terms of six different types of assets (or capital): natural, physical, economic, human, social and cultural (see Appendix 1 for a complete discussion). Sustainability dictates that each type of capital needs to be nurtured and managed so as to pass on an equivalent amount to the next generation. The goal of sustainable community development, therefore, is to adopt strategies and structures that mobilize citizens and their governments in the quantitative and qualitative improvement of all six forms of capital.

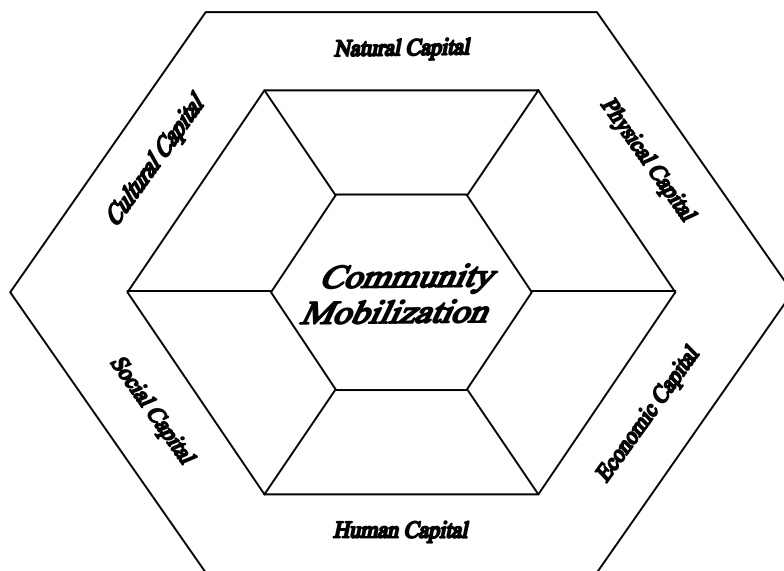


Figure 1: A Framework for Sustainable Community Development.

Sustainable community development requires mobilizing citizens and their governments to strengthen all forms of community capital. Community mobilization is necessary to coordinate, balance and catalyze community capital (Roseland, 2005).

Community mobilization serves to coordinate, balance and catalyze the values, visions and activities of various community actors through democratic processes, resulting in outcomes that strengthen all forms of capital. It is through a culture of community involvement, multi-stakeholder participation and consensus-building within our communities that the values, visions and outcomes can be identified that can make our cities and communities more sustainable (Otto-Zimmermann, 2002).

1.2 Applying Sustainable Community Development

As described above, SCD can be thought of as both a noun and a verb; that is, it both provides a vision of what a sustainable community would be (e.g. one with a healthy and balanced allotment of community capital) and proscribes methods, processes and indicators for achieving it (e.g. mobilizing community around sustainability principles to strengthen community capital). Implementing SCD requires fundamental shifts in planning and decision-making processes and a re-definition of what is considered the “highest and best use” of land and resources.

For example, the “Smart Growth” movement has a long history of promoting land use practices that decrease the impact on the environment. It has clearly demonstrated how smart growth strategies lead to developments that cost less for municipalities and developers, increase property values, create safer streets, increases housing and transportation choices and protects drinking water supplies (Curran, 2003). **Insert 1** presents a list of key features of sustainable communities and Smart Growth design principles for community planning.

Smart Growth and other sustainability advocates have clearly demonstrated that there are a variety of mechanisms and entry points for SCD to influence land use planning and development (see Table 1 below).

Insert 1: Feature and Principles of Sustainable Communities

Twelve Key Features of Sustainable Communities (CMHC 2000)

1. Ecological protection
2. Higher density and transit-supportive urban design
3. Urban infill
4. Village centres
5. Healthy local economy
6. Sustainable transportation
7. Affordable housing
8. Liveable community
9. Low-impact sewage and stormwater treatment
10. Water conservation
11. Energy efficiency
12. The three ‘Rs’ (Reduce, Reuse, Recycle)

Eight Design Principles for Smart Growth Neighbourhood Planning (SGOG 2004)

1. Each Neighbourhood is Complete
2. Options to our Cars Exist
3. Work in Harmony with Natural Systems
4. Buildings and Infrastructure are Greener and Smarter
5. Housing Serves Many Needs
6. Jobs are Close to Home
7. The Centre is Distinctive, Attractive and Vibrant
8. Everyone has a Voice

Table 1: Means of Influencing Sustainable Land Use Planning and Development

Influence on:	Examples:
Actors	<ul style="list-style-type: none"> – An “actor” may be an individual, organization, business or institution. – SCD may influence the motivation, values, mission and vision of an actor, such as the triple-bottom-line mission statement of Windmill Development (see Dockside case study). – The extent of influence may be impacted by the type and legal structure of the actor (e.g. non-profit, government, corporation etc.)
Planning	<ul style="list-style-type: none"> – SCD provides principles for guiding the planning process (e.g. five core principles) as well as for the nature and design of the development outcomes (e.g. Smart Growth design principles). – SCD also provides a vision for ideal community development outcomes that can be used for “backcasting” a path towards them; this is frequently done through community planning and visioning processes.
Regulations	<ul style="list-style-type: none"> – Regulations can be evaluated in terms of whether they support or obstruct sustainability (e.g. West Coast Environmental Law Smart Growth Bylaws).
Development Process	<ul style="list-style-type: none"> – SCD core principles can be used to inform development decision-making processes (e.g. the Dockside RFP triple-bottom-line evaluation matrix) as well as informing government-community-developer relations and consultations (e.g. AccountAbility’s Stakeholder Engagement guidelines).
Development Outcomes	<ul style="list-style-type: none"> – A development outcome can be evaluated in terms of the built form and infrastructure itself (e.g. LEED certification programs for green buildings), how it fits within the community context and how it impacts community capital in areas such as water, waste, transportation, economic development etc.

1.3 Land Issues in Sustainable Community Development

Having presented a conceptual framework for sustainable community development, we will now provide a discussion of the barriers to sustainable development at the local level with particular emphasis on land use planning and development.

Many communities have integrated sustainable community development principles into their land use planning and/or decision-making processes, yet few have been successful in translating their high-level sustainability goals and objectives into tangible on the ground projects. This planning – implementation gap has significant consequences including: 1) increased public scepticism regarding the value of participating in planning processes and of the value of the concept of sustainable development as a tool for change; 2) continued erosion of the six forms of community capital (economic, natural, social, cultural, physical and human); and 3) lost opportunities as key land and infrastructure are developed with little regard for long-term local sustainability and community development.

It is this last point that is of critical concern for this research and provides the rationale for exploring site control for sustainable community development. Land use patterns and the land development process are critical factors in achieving sustainable community development objectives such as using urban space more efficiently, reducing automobile dependence and creating more inclusive communities (Roseland, 2005; Beatley, 2000; Newman and Kenworthy, 1999).

What shifts and reorientations are needed to overcome this gap? Implementing sustainable community plans requires the creation of actors, policies, regulations and decision-making processes that support sustainability.

Toolkits and resources for municipalities for sustainable community planning and comprehensive examples of regulatory and by-law reforms at the municipal level to promote sustainable community development provide guidance for the changes needed to regulations and incentives (Crofton, 2001; Curran, 2003). Some communities have adopted these practices; however, innovative planning tools, municipal by-law reforms or other policy instruments on their own have been unable to shift development and redevelopment towards sustainability on a larger scale.

There are other more fundamental process related barriers involved, governance being one key example (Dale 2001; Bell 2002; Sabel 2001; Young & Maltke 1993). Existing governance processes have been unable to moderate the disparate priorities of individual actors (such as property owners and community members) resulting in gaps and conflict among sustainability values, community visions and development outcomes. Other research has also referred to fundamental disconnections among federal, regional and local governments, between rural and urban communities, and between the business and research communities (Bradford 2002; Conroy and Burke, 2004; Dale 2001; Gahin et al. 2003; ICLEI 2002; Parkinson & Roseland 2002).

Less attention has been paid to the shifts needed in the real estate market itself. It is argued that there is a need for more flexible economic valuation processes and a broader range of market-based approaches that support the more complex, multi-layered objectives of sustainability (Corkindale, 1999; Williamson, 2001). Current realities and trends towards a more influential role for the private sector and a more entrepreneurial approach to local government (Osborne and Gaebler, 1993), combined with the increased use of market mechanisms² to guide, reward, monitor and penalize private sector involvement in planning decisions and development projects (Choe, 2002; Di Leva, 2002) also suggest that new approaches are needed to orient these market influences towards sustainable community development.

² Pearce and Barbier (2000) argue that the key to changing unsustainable patterns of behaviour of both individuals and of firms rests in tackling the market, the policy and the institutional failures that have led to such behaviour. The use of market mechanisms represent one approach to address distorted economic incentives that ignore or under-value environmental and/or social externalities and take only short-term valuations into account.

These new approaches need to be responsive not only to the market, but also to proactive community participation whose local social structures are powerful forces in the determination of urban processes (Imrie et. al., 1995) and must account for all aspects of community capital. Adding multiple bottom-lines (i.e. considering social, environmental and economic impacts equally) to land use planning and decision-making or to real estate development is something that few communities have been able to achieve.

Achieving sustainability is therefore dependent on changes to both the planning and regulatory processes and the real estate and development market itself. Therefore, our research has focussed on identifying the range of policies, processes and mechanisms that have the potential to facilitate land decisions oriented towards sustainability, with a particular emphasis on site control.

2 Site Control for Sustainable Community Development

2.1 Elements and Influences in Land Development

In a general sense, the land development process can be thought of as consisting of three interrelated stages: site control, site development and implementation (see Table 2 below).

The **site control** stage consists of the activities related to land assembly, obtaining ownership rights to a site and the formation of a development concept for a site. The **site development** stage consists of the process of ensuring that development activities on a prescribed piece of property conform to the official community plan, the local area plan, building design guidelines and site design guidelines. Site development typically involves a degree of collaboration between property owners, municipal officials and the broader community. Council and the public may have little influence on the development outcome unless the proposal requires a rezoning application. The **implementation** stage consists of the construction and development of the site and represents the outcomes of the site control and site development stages.

Table 2: Elements and Influences in Land Development

	Site Control	Site Development	Implementation
Key Activities	<ul style="list-style-type: none"> –Land assembly –Site development concept 	<ul style="list-style-type: none"> –Development permit, design guidelines and/or zoning process 	<ul style="list-style-type: none"> –Building permit and construction –Enters market
Influence Tools	<ul style="list-style-type: none"> –Direct purchase and type of ownership (e.g. Co-op, corporation) –Contracts and development agreements –Covenants and easements –Education, lobbying, etc. to influence owners –Market conditions and demand 	<ul style="list-style-type: none"> –Permits –Regulations, codes and bylaws (e.g zoning, building code, etc.) –Planning documents (OCP, LAP, etc.) –Design guidelines –Public processes (rezoning, consultation, hearings...) –Education, lobbying, etc. to influence stakeholders 	<ul style="list-style-type: none"> –Purchase, lease or rent –Regulations, codes and bylaws –Market demand
Actors	<ul style="list-style-type: none"> –Consumers (e.g. homebuyers, tenants, etc.) –Land owners and developers –Government (federal, provincial, local) staff and politicians –Investors and financial institutions –Community members (general public, interest groups etc.) –Non-profit and non-governmental organizations –Other private sector interests (architects, engineers, builders, tradespersons etc.) and industry associations –Media 		
Issues to Influence	<ul style="list-style-type: none"> – Land use, density, building design, landscape design, environmental impact, public amenities, affordability, economic development, market needs (housing, commercial etc.) 		

As illustrated, there are a myriad of tools that specific actors, whether they are community groups, businesses, government or NGOs, can use to engage in the land development process and influence outcomes. Policy tools (e.g. regulations) are most relevant during the site development stage whereas market mechanisms and tools (e.g. direct purchase) are most relevant during the Site Control and Implementation stages.

2.2 Rationale for Site Control

Most research and advocacy work related to sustainable land use has focused on site development (e.g. Smart Growth bylaws), with little attention paid to direct intervention at the site control stage. The goal of this research is to draw attention to the site control stage in order to ensure that key opportunities are not missed as strategic development sites (e.g. waterfront areas, environmentally sensitive spaces, transportation nodes etc.) are not developed to their sustainability potential.

Brownfield sites provide one tangible example of strategic sites that warrant attention at the site control stage as well as at the site development stage, as they are often located in close proximity to existing infrastructure and they have the potential to greatly influence the redevelopment of surrounding land uses. As these sites are remediated and placed on the market for redevelopment, ownership actors committed to sustainability may not exist, planning and zoning mechanisms (the site development stage) may not be oriented towards sustainability in specific communities, and/or there may not be political or municipal staff champions for sustainability, which may result in the land being developed without sustainability considerations.

Site control is also relevant for achieving certain policy objectives. CMHC's study of residential intensification initiatives by municipalities demonstrates that considerable effort and collaboration among developers, municipal officials and community residents are required to overcome the challenges of higher development costs, neighbourhood opposition and regulatory barriers (CMHC, 2004a; CMHC 2004b). In some instances, it may be easier, faster and more cost-effective to simply buy the property and obtain site control. For example, the City of Burnaby has used its property endowment fund to purchase sites with single-family homes (thereby obtaining site control) in areas designated for higher density in order to prevent their redevelopment as detached and semi-detached homes and to promote higher density development (personal communication, 2005).

2.3 Site Control for Sustainable Community Development

We have argued that attention also needs to be placed on the site control stage of the land development process; the question that remains is how can the site control stage be oriented towards sustainability?

In conventional real estate development, the term "site control" refers to having ownership rights for a particular site, for example through fee simple ownership or a

purchase agreement. We therefore define site control for sustainable community development as

...the process of securing strategically significant parcels of land until the necessary mechanisms are in place to develop the land in a sustainable manner.

There are two ways to intervene in the site control stage to influence land use development so that development outcomes match sustainability principles. The first is to influence owners as they formulate the development concept for particular sites before they enter into the formal site development process. The goal here is to use education and dialogue with land owners through participation in charettes, workshops, focus groups and/or open houses to include sustainability considerations in the development concept for a site. This approach is ultimately dependent on land owners that are committed to collaboration and consultation and on a supportive planning and development context that is oriented towards SCD objectives. The use of various planning and regulatory tools and incentives designed to promote sustainable community development can be effective at addressing long-term issues but not immediate site control needs. For immediate site control, ownership needs to be considered.

The second way to intervene in the site control stage is to acquire ownership rights. Acquiring ownership rights over strategic sites is the most certain way to intervene to ensure that site development outcomes reflect community sustainability principles. Actors committed to sustainability can first obtain ownership control, and then use development agreements, contracts or covenants to attach specific development goals or restrictions to the title of the land. Other ways that site control can be obtained is through land pooling initiatives and through alternative ownership structures such as community development corporations, community land trusts, cooperatives or through real estate investment funds. Some of these site control tools and actors will be discussed in more detail in the following section.

2.4 Site Control Tools and Actors

Table 2 (above) presents five types of site control tools: direct purchase and type of ownership; contracts and development agreements; covenants and easements; education and lobbying; and market demand. This section provides examples for the first three; the remaining two are outside the scope of this research³.

Community development corporations, public agencies and government sponsored funds have relied on strategic site acquisition as one of the tools to achieve urban redevelopment objectives (Vidal, 1997) and could play a role in site control for sustainable community development. Community land trusts provide another tangible example of a site control actor, where planners, various levels of government and the

³ See “Site Control for Sustainable Community Development: Interim Report” and “Site Control for Sustainable Community Development: Working Paper #2” for more details regarding tools that impact site control, but are applicable in the site development stage of the land development process.

NGO sector have used land trusts to preserve the natural environment, to provide affordable housing and to provide revenue streams for both government and NGOs. The community land trust has the potential to improve community sustainable development by removing land from the speculative market (thereby enacting site control), so that appropriate and sustainable uses for the land can be determined (Roseland, 1992).

Community Development Corporations (CDCs) are often partially supported through either financial support from government, or through the provision of public land for redevelopment. CDCs facilitate the redevelopment of land by being removed from government bureaucracy, by bringing numerous partners together and by incorporating a wider variety of stakeholders into the development process. They are also used frequently as a dual approach (public compulsory purchase (in the US) and private market developers) to the land assembly process (Golland, 2003). The majority of CDCs are focused on improving physical capital and on increasing economic opportunities. The contribution of CDCs to site control is based on their approach to development extending beyond the single land parcel to include an area focus, by focusing on longer time frames than individual land parcel developments and by the fact that they are created to implement specific developments in parallel to local development plans. Depending on how the CDC is structured and the degree to which broad community participation is encouraged, CDCs have the potential to bring various stakeholders together while working on common goals (Weiss, 2001).

Public-private partnerships (P3s) are often presented as a land redevelopment solution to generate increased place-based economic growth and investment. With P3s, local governments often provide either direct support for partnerships, provide leverage to access funding from higher levels of government or provide public land for redevelopment. Much of the focus of P3s is on the physical redevelopment of a site, with the assumption that investment and redevelopment of one site will lure further investment into adjacent sites (Pichierri, 2002). The use of P3s are controversial, particularly with regards to their lack of accountability, transparency and public participation in defining the terms of the public and private partnership and the sharing of risks (Ng, 2002; Raymond and Fairfax, 2002).

Given the importance of land assembly to the development process, it is worth examining P3s and CDCs created specifically to resolve land assembly problems as a special case. Both CDCs and P3s have been used for **land pooling (or land readjustment)** as tools for implementing joint development of a group of land parcels to serve the public good (Doebele, 2002). Land pooling creates new economic interests, as all existing owners of land essentially become part owners of the entire area (analogous to the joint-stock corporation) and it retains the current owners as participants in the redevelopment process with equal interest in the successful redevelopment of the area over the long term. Government is also directly involved through expenditure on the creation of the overall redevelopment plan and it is often local government that initiates and facilitates the process. As a site control tool, land pooling ensures coordination in development amongst a variety of owners and development interests. Land pooling allows for the

recycling of land for redevelopment, reduces the need for greenfield development and promotes urban land intensification.

For example, the Toronto Docklands consist of large tracks of land owned by all levels of government and the private sector that are likely to be redeveloped in the coming decades. While the City of Toronto is preparing a Central Waterfront Official Plan, a public-private development corporation has been created to coordinate the expected \$5.2 billion in Requests for Proposals for redevelopment and infrastructure provision costs (CCPPP, 2001). The Toronto Economic Development Corporation's (TEDCO) purpose is to stimulate reinvestment in strategic and underutilized sites through acquisition, rehabilitation and redevelopment, which will act as a catalyst for new employment-related investment for the City of Toronto.

Community Land Trusts (CLTs) allow for direct involvement and community control over land use and land transactions over the long term. They provide the potential to create collaborative and consultative partnerships between community groups, the private sector and government in determining the best possible arrangements for site development (Mehoff and Sklar, 1994). CLTs are also designed to reduce the economic pressure on land and therefore, make housing or commercial development more affordable by reducing land costs. Limited Equity Co-ops (LECs), Mutual Housing Associations (MHAs) and Community Land Trusts (CLTs) are examples of types of organizations that are working towards the goal of transforming housing and property from commodities to collectively owned social goods. With LECs, residents are shareholders in the corporation that controls the housing development, where the resale of shares are price restricted (based on a formula that incorporates inflation and improvements) and not determined by the larger real-estate market. In a CLT, the community organization owns and manages the land, while residents own the housing units (either individually or through coops) through long-term ground leases. Upon sale of housing units, residents are able to collect on any investments they make to the unit, but not on the appreciation that is socially created. MHAs own housing and property outright on behalf of the community and rent homes to residents who are members of the association without individual ownership rights.

Land leases are an example where local government retains ownership of land and therefore is able to exert more control over the use and development of the land. Public land remains under the control of the public sector, the flexibility for future uses is retained and the public agency is able to apply and enforce lease terms that will meet public objectives (Krauss and Eberle, 1998). Through greater control over development, local governments can ensure that physical capital assets are improved. Land leases often include a discount rate of up to 25 per cent compared to outright ownership and reduce the development cost by reducing the need for financing, which can contribute to affordability.

Real Estate Investment Funds that are concerned with triple-bottom line investing (social, environmental and economic returns on investment) have the potential to play a

significant role in site control for sustainable community development⁴. They include large institutional investors, local banks and credit unions, governments and private investors that enable ownership of strategic properties. For example, Cherokee Investment Partners, a private equity fund devoted to the rehabilitation of contaminated brownfield sites enabled the rehabilitation of a former steel factory site in Toronto into 850 residential units. With significant financial resources, real estate investment funds are able to transform financially viable brownfield sites back into productive uses, generating a return on investment and substantially increasing the local property tax base.

The Bay Area Family of Funds (California) are an example of a real estate investment fund created as a regional effort to attract private investment into moderate and low-income neighbourhoods in order to promote smart growth, address poverty, support local businesses and to remediate brownfield sites. The Smart Growth fund raised \$65.8M to invest in mixed use, mixed income developments.

Easements and covenants control all future land uses for the designated purposes in perpetuity. They also allow for flexibility on a given piece of property to promote conservation purposes, while also allowing for value added development by designating only certain areas of the property as being conserved. Therefore, there is potential for significant property tax saving for the existing owner through the lowering of the overall value of the land (Schaer and Blaine, 2004).

Contracts and development agreements are binding agreements between two or more parties for performing, or refraining from performing, some specified act(s) in exchange for lawful consideration.

⁴ See “Site Control for Sustainable Community Development: Working Paper #1: Real Estate Fund Case Studies and Examples” for a more detailed discussion of the variety of existing real estate funds that have resulted in innovative real estate developments.

3 Case Studies

Two case study analyses of the planning and redevelopment of former industrial waterfront properties were conducted in Nelson, and Victoria, BC. The case study sites were chosen because they are representative of the range of contexts and situations in which the redevelopment process occurs (from urban to rural, from public to private sector driven, from booming to flat real estate markets, etc.). The bulk of the case study research was completed through a week-long site visit to Nelson at the end of May and to Victoria at the beginning of August, 2005. The sources of research material included interviews with key informants (municipal officials, local politicians, community members, and developers, etc.) and written material (such as government and non government planning documents and newspaper articles.)

The case studies focussed on identifying i) the success factors that led towards more sustainable outcomes at each site, and (ii) the relative roles and importance of site control and site development factors in supporting sustainable outcomes.

3.1 Case Study 1: Nelson, BC

3.1.1 Overview

In 2001, a 1.1 ha parcel of lakefront property located in the central waterfront of Nelson, BC was placed on the market by BC Buildings Corporation (BCBC). Some of the proposed bids for the property included developing the land for big-box retail purposes. A group of local residents recognized the significance of this property, not only for its value as a prime development site, but also for the ability of this property to influence the design and function of future development on Nelson's waterfront as a whole. Ultimately the group was successful in purchasing the property, and their purpose as owners was not to develop the land themselves, but to ensure its development in accordance with a long-term vision compatible with community values and the Official Community Plan (OCP). Thus far, a developer has been identified and the current site plan is to develop residential units, seniors housing, live/work spaces and commercial space based around pedestrian oriented open space.

3.1.2 Context

The case study site is located at the foot of Cedar Street in the Central Waterfront, adjacent to the Chahko Mika Mall, immediately to the north of the downtown (see Figure 3). Prior to its sale, the site was owned by BCBC and was being leased as a highway maintenance yard; the site has since been remediated and currently is vacant. BCBC also owns vacant adjacent property. The site is currently owned by Central Waterfront Enterprises Ltd. (CWE), an ad hoc group of community residents who purchased the property in October, 2001, and has been actively seeking developers to purchase and develop the site in accordance with the official community plan. While the downtown heritage area of Nelson is a vibrant, pedestrian oriented area with commercial, retail and residential uses, it is isolated from the waterfront as a result of the CPR line and a steep slope.

The Nelson waterfront represents a significant portion of the prime real estate in the city and was the location of industrial land uses that served the forestry and mining sectors that were central to the regional economy. With the decline of this sector, culminating with the closure of the Kootenay Forest Products plant and CPR diesel shop in the 1980's, followed by the closure of the CPR rail yard and line in the 1990's, large portions of the waterfront are considered underutilized or vacant.

In the 1990s and early 2000s, there was little real estate development in Nelson, as a result of the recession in the resource-based economy and the perception that Nelson was a community in decline. Therefore, there was the perception that any development (growth) was good. There is also a lack of developers in small towns and a lack of mixed use developments that developers can point to as successes.

3.1.3 Outcomes and Impacts

There was significant conflict between the community and the City over the role of the City in the land use process and the way that development opportunities were evaluated which ultimately led to the creation of a new market actor (CWE) and played a role in the 2002 municipal elections. The former City Council felt that real estate development was a process that is best left to the private sector and that it was the private sector that should decide "highest and best" use for a parcel of land. Despite these statements, it was revealed that the City was involved informally in working with the Chako Mika Mall owners to facilitate their purchase of the property for big-box development. Community actors, led by individual community champions, opposed this approach to development and argued that the City had a duty to engage in community consultation and proactively support developments that match the values and visions of the OCP. Waterfront land uses were a key factor in the 2002 municipal elections, which resulted in a new council led by the former Chair of CWE as the new Mayor.

With the new council, there was interest in reviewing the planning process and examining ways that the City can be more proactive and comprehensive in its evaluation of development proposals. However, the lack of resources for planning has been identified as a barrier to OCP implementation and given the general nature of the current OCP, a significant increase in planning resources would be needed for the City to play a proactive role in future developments.

In terms of site-specific outcomes, CWE is in negotiation with a developer with regards to the development agreement and the terms of sale of the property. The site plan for this property represents a first step in transforming land uses on the Central Waterfront to match the OCP and the Waterfront Vision document. If it is successful, the development will influence surrounding waterfront properties, transforming the area and linking the waterfront to downtown. CWE is expected to generate a profit upon the sale of the property and have indicated interest in reinvesting in the remaining BCBC and CPR properties when they are placed on the market in the future. Therefore, development on this site will provide a tangible example of an innovative mixed-use development in a small town, providing proof to other developers that a market for mixed-use developments exists.

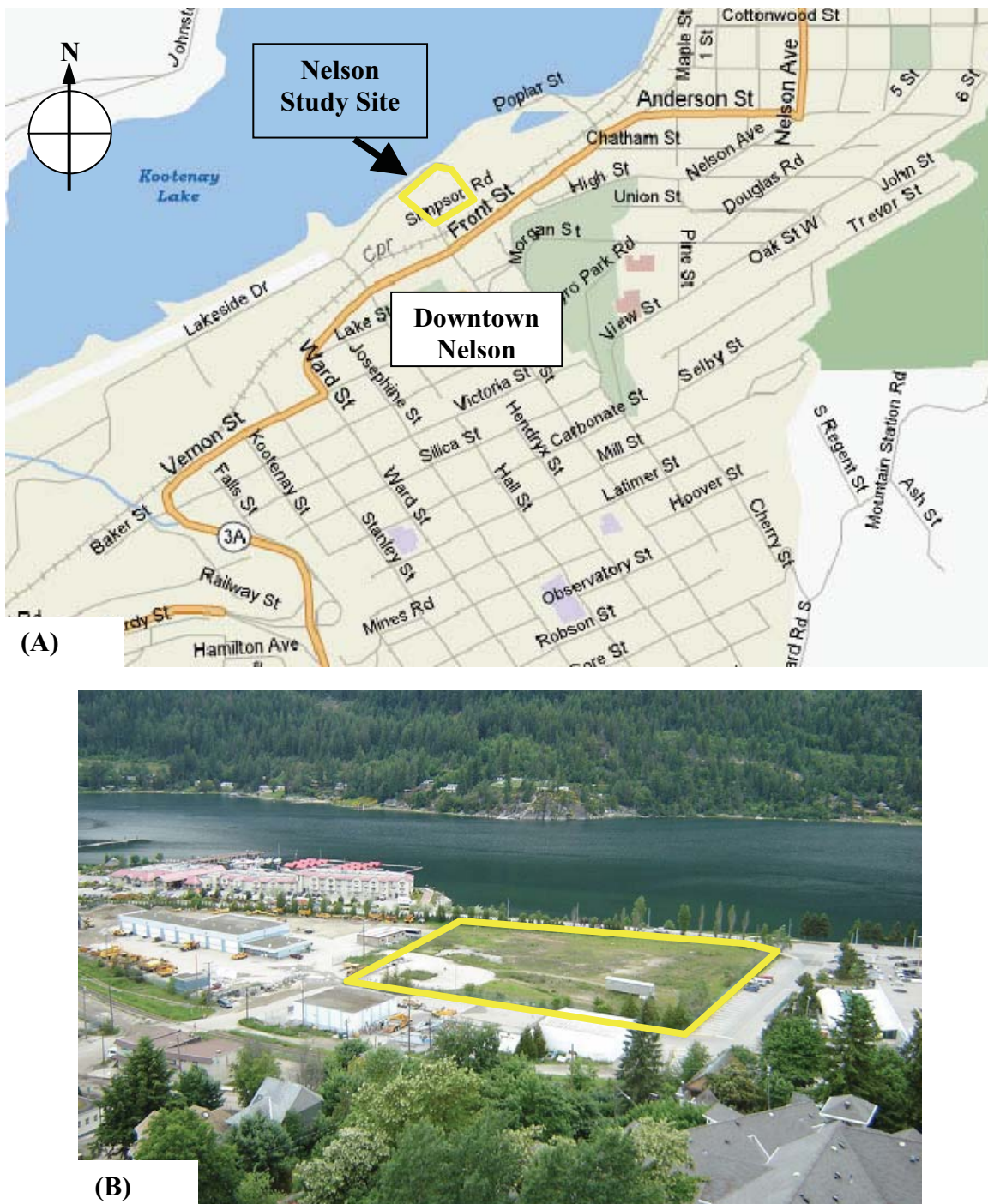


Figure 3: Nelson Case Study Site (demarcated by the yellow lines)
(A) Map of central Nelson indicating case study site and downtown (www.mapquest.com)
(B) Looking North-West, with the Chahko Mika Mall parking lot immediately to the right, the remaining BCBC property to the left and Kootenay Lake and the Prestige Inn in the background.

3.1.4 Success Factors

Financial Resources: Central Waterfront Enterprises (CWE), an ad hoc group of community members with financial resources that were able to respond quickly to place an offer for the property were critical for intervening in the site control stage to preserve the vision and principles of the OCP.

Community Champions and Mobilization: The Nelson case study demonstrates the role and power of community actors who identify their values and visions and take action towards them. Community champions also played an important role in articulating alternative redevelopment opportunities. The “Save our Waterfront” committee was able to mobilize broad community support in favour of preserving the vision of mixed-use developments on the waterfront.

Identification of Strategic Sites: The Central waterfront was identified as a strategic site well before it was placed on the market by BCBC. This allowed for the development of conceptual drawings for the site that provided the community with a tangible example of potential redevelopment opportunities.

Public Support / Consultation: Public support for the vision of the Nelson waterfront as articulated through multiple public consultation processes (OCP, Waterfront visioning) was a key factor in providing the rationale to CWE members that their investment was supporting community interests for the site.

3.1.5 Relevance for Site Control

The Nelson case study demonstrates that existing land use planning processes, mechanisms and tools designed to articulate community visions and values are meaningless without the commitment and resources to implement them. Due to a lack of resources for planning and political will, the City was unable and unwilling to take a proactive role in the real estate development process and was reliant on property owners and developers to drive the process and determine outcomes.

Community members concerned with the nature of real estate development were unsuccessful in influencing potential owners (i.e. the City) or the planning process to determine site development outcomes. It was only when they intervened by obtaining ownership and site control that they were able to influence site development outcomes. The site was purchased as a statement by community investors whose primary concern was not a return on investment, but rather to have the site developed in a manner that reflected the vision and principles of the OCP. As owners, they were able to negotiate and collaborate with a developer that shared that commitment and are in the process of finalizing the development agreement and terms of sale of the property to ensure that site development outcomes match the community values and vision for the site.

It is likely that CWE will make a profit upon the sale of the property, however, it required a significant amount of time and effort to decide on a development concept for the site and to engage a developer committed to that concept. The site was purchased in 2001 and despite sending out development prospectuses to potential developers, it was not until

they hired a development consultant in 2005 that they were able to enter into negotiations with a developer. This is significantly longer than the normal development timeframe and could act as a disincentive for other community groups wishing to emulate CWE.

CWE has committed to proactively engaging in the real estate market in support of the community values and vision as defined by the OCP, however, those commitments have not been institutionalized within the organization. They may be subject to change through internal conflicts, changing priorities or changes in the local real estate market which could result in pressure from CWE investors to sell property to the highest bidder. However, CWE provides one potential model of a new market actor engaged in real estate speculation for the purpose of site control for sustainable community development.

3.2 Case Study 2: Dockside Green, Victoria BC

3.2.1 Overview

A 14.6 acre (5.9 hectare) brownfield site in downtown Victoria which once contained shipbuilding yards, railway works, and an asphalt operation is being redeveloped into a model sustainable community. Dockside Green has been developed and designed to meet a triple-bottom line (TBL) of social, environmental and economic objectives. The site is being remediated through a combination of removal, treatment and risk management (containment and monitoring). Over the next ten to twelve years it will be built out into a mixed-use development of light industrial, commercial and residential that will host a variety of public spaces and amenities, provide its own greenhouse-gas-neutral power, treat its wastewater and sewage onsite, and meet the highest environmental standards in green building (LEED® Platinum⁵). It will incorporate both work/live and live/work units. Once complete, the Dockside Green will be a community for approximately 2,500 people and comprise of 26 buildings totalling 1.3 million square feet.

3.2.2 Context

The Dockside Lands are prominently located in Victoria West adjacent to the Upper Harbour and Downtown Victoria (see Figure 5). The site comprises 14.6 acres (5.9 hectares) consisting of 11.6 acres of city-owned land and three acres of private land that were added at the end of the process. Parts of the site are waterfront and the rest border various operations along Victoria's working harbour.

The site has a long industrial history dating back to the late 1800s that includes a shipbuilding and repair yard and an asphalt plant operation among others. The City of Victoria acquired the Dockside Lands in 1989 from the Province of British Columbia for the price of \$1 plus taking on the responsibility for the remediation of the site and the servicing costs to nearby provincial lands and all Dockside lands. Previous attempts to market the Dockside Lands proved unsuccessful due to lack of information on soils contamination and the low land value of its zoned uses. Considerable development has occurred in the area over the past 20 years; over the past decade conflicts over the process

⁵ LEED® is a green building certification program administered by the US and Canadian Green Building Councils. It stands for Leadership in Energy and Environmental Design.

and form of residential development in the area have created a culture of distrust among community organizations, developers and the municipality.

The rapidly expanding market has placed considerable pressure on the City planning department to process and approve applications. It has also created pressure to redevelop downtown industrial sites into profitable residential developments. Dockside resisted that pressure in part because of the City's strong commitment to maintaining a working harbour (as articulated in its 2001 Harbour Plan). Additionally, the ongoing real estate boom gave the City more confidence to impose conditions and requirements on developers; respondents felt that this development could not have happened in a depressed market.

3.2.3 Outcomes and Impacts

As with Nelson, the project has (or will) impact the type of future development, the market for development, the planning culture and the relationship with the community.

- **Development market impacts.** If (as anticipated) Dockside Green is both profitable and an internationally acclaimed model of sustainable community development, then it may trigger shifts in both the development culture and the market interest in (and demand for) a more sustainable urban environment. The project may serve as a catalyst for the municipality to approach sustainability as a market opportunity.
- **Community Relationships:** The project has raised the bar for community – municipal consultation and has created an excellent foundation for building trust among community members, the municipality and developers. Again, the public consultation process will need to be formally incorporated into the city's policy framework in order to have longer term impacts.
- **Shifts in planning culture:** The project has clearly demonstrated the value of and need for:
 - (i) Incorporating sustainability and TBL principles into staff training, planning and decision-making processes.
 - (ii) inter- and intra-departmental collaboration and consultation in handling sustainable building applications;
 - (iii) flexible, performance- and outcome-based frameworks for zoning, design, and decision-making;
 - (iv) pro-active allocation of resources to support and 'fast-track' desired initiatives through the approvals process;
 - (v) ongoing public consultation and engagement; and
 - (vi) developing internal expertise in order to ground land-use decisions in real estate principles and economics.

Thus far, all of the changes in planning culture have been ad-hoc, and are not incorporated in any formal process or policy; rather, they have been driven and implemented by project champions within the department, two of whom moved on in the past year. Clearly, these initiatives must be formalized and institutionalized if they are to have long-term impacts.

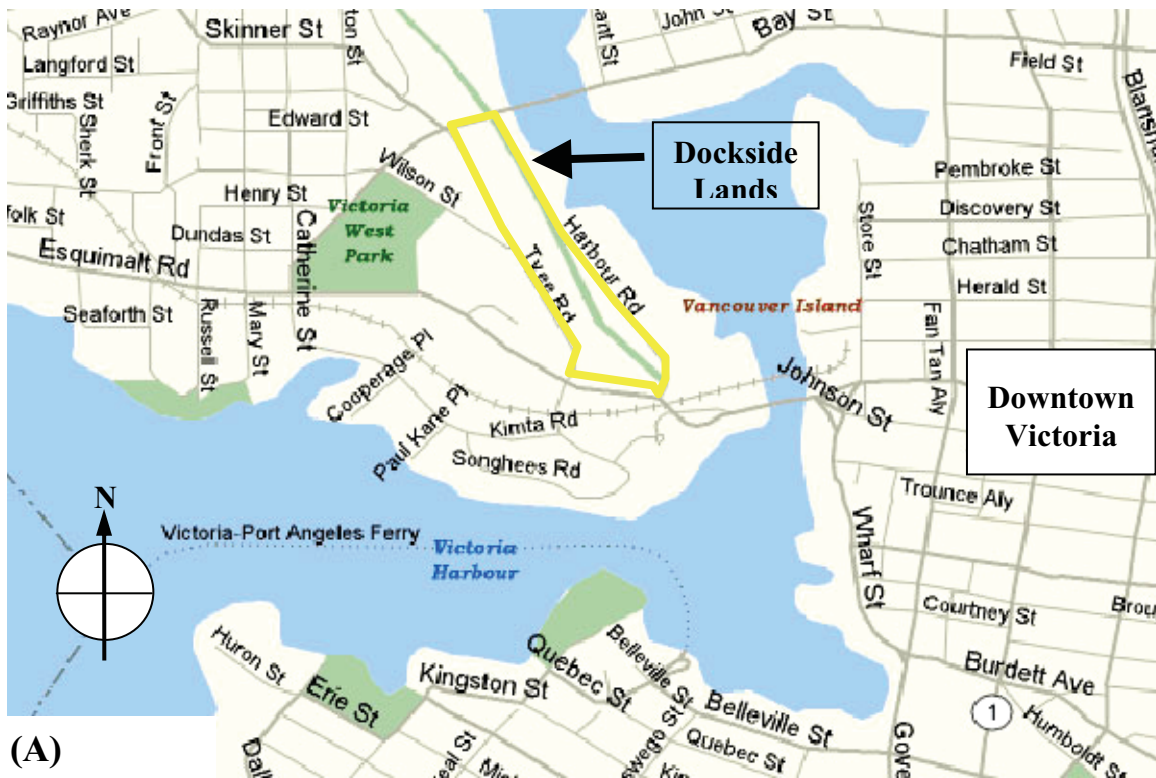


Figure 5: The Dockside case study site (demarcated by the yellow lines)
 (A) Map of central Victoria with Dockside and downtown areas indicated
 (www.mapquest.com).

(B) Aerial photo with the Point Hope Shipyards in the foreground and existing residential
 developments in the background (photo from www.docksidegreen.com).

3.2.4 Success Factors

- **Project Sustainability Champions** – Key city staff and consultants were versed in sustainability and had the authority to drive the process and “sell” the vision of creating a model sustainable community on the site.
- **City as owner and regulator** - As both the owner and the regulator, the City had complete site control and the ability to revise planning documents and regulations to suit their needs. This was a key factor as various regulations, bylaws and planning documents (e.g. OCP etc.) have had to be completely revised to accommodate the project.
- **City commitment to site sustainability** - The City committed to using TBL criteria throughout the design and evaluation process and adopted a ‘break-even’ policy that considered project financial returns in context with other TBL factors.
- **Public consultation** – Extensive public consultation and participation throughout the process helped overcome trust issues and build momentum and support.
- **Multi-disciplinary collaboration** – A focus on inter- and intra-departmental collaboration and the inclusion of diverse community stakeholders both built broad support and ensured that the project reflected and integrated many varied perspectives.
- **Pragmatic, vision-led process** – A realistic site vision was developed based on sustainability principles and the market and real estate economics of the site. This vision drove the design stages of development, and adherence to the vision was supported by the TBL matrix and other tools.
- **Access to “market-neutral” real estate and green building expertise** – Through BCBC, the City had access to expertise that was not compromised by market interests.
- **Accessibility of the project to developers committed to sustainability** – The explicit commitment to TBL criteria attracted sustainability-minded developers based on the commitment to evaluate proponents on multiple criteria.
- **Existence of developers committed to sustainability** – VanCity Enterprises and Windmill are atypical developers that have mission statements that reference sustainability and multiple-bottom lines and may accept lower financial returns for sustainability gains.

3.2.5 Relevance for Site Control

Ownership and site control factors were critical to the sustainable outcome of this initiative. All of the ownership actors (City Council and staff; VCE / Windmill) expressed a commitment to sustainability that included accepting lower financial returns for the project if needed to increase the overall TBL return.

This case study also demonstrated that the formal development process and structure at the City of Victoria (as in most communities) was inadequate for ensuring sustainable development outcomes. All of the key planning documents (OCP etc.) and several zoning regulations and city bylaws had to be revised to accommodate the project. These changes are currently limited to the site itself; a more comprehensive process is needed to identify and revise those regulations and policies that serve as barriers to sustainability.

Given how radically different the Dockside process was compared to the status quo (in terms of public consultation, inter-departmental collaboration, planning and decision-making) it will take significant time and effort to institutionalize these changes and create a supportive environment for sustainability. It is also questionable whether the planning process used for Dockside is an adequate model for ensuring sustainable outcomes. There is some doubt that similar outcomes would have been achieved without the VanCity Enterprises (VCE) / Windmill bid, given that the competing bid also met the minimum RFP requirements, yet lacked firm commitments to delivering on many sustainable features and did not have a corporate mandate committed to sustainability.

The key events in this project all took place during the site control stage; in other words, outside the formal site development process. The three years of work that went into creating the development concept and RFP process paralleled the work normally undertaken by a private developer. This type of extensive process is in many ways required to develop a sustainable plan that reflects community values and visions for the site; however, it represents an enormous soft cost to the owner which may not be subsidized by the local authority. This underlines the need to consider what the role of government should (or could) be in this early stage of development and how they might partner with developers in this process. This case may provide insight into that relationship.

Finally, achieving sustainable outcomes requires mechanisms for ensuring accountability to the site vision. Conventional development mechanisms are regulations, zoning bylaws and development permits. However, the principal accountability mechanisms used for Victoria's Dockside are ownership mechanisms, namely a legal contract agreement (the Master Development Agreement) associated with the sale that includes performance targets, reporting requirements, financial penalties and a restrictive covenant.

All of this underlines the need for new land development actors of all forms (e.g. non-profit, corporate, financial, etc.) whose express purpose is to develop land sustainably and to measure success in terms of multiple bottom lines.

4 Discussion, Recommendations and Conclusion

4.1 Discussion

Our research suggests that there are a variety of access points to support land use development outcomes that are based on sustainability principles. However, both the sustainable community development literature and the work of sustainable community development advocacy groups are focused on the development of policies, processes and tools oriented towards sustainability, and not on actual involvement in the market (i.e. through ownership tools). While such work is certainly a key aspect of overcoming barriers to sustainable community development, attention is also needed at the site control stage of the land development process.

Both of our case studies demonstrate the need for ownership actors committed to sustainable community development, particularly when the planning process is not oriented towards sustainability. In Nelson, site control was dependent on a community organization having financial resources, a detailed vision for the site and the ability to respond quickly in the local real estate market to ensure that redevelopment of a strategic waterfront property matched the values and vision articulated by the community. In Victoria, the municipality obtained site control. As an owner committed to sustainable community development principles, the City of Victoria was able to use innovative evaluation mechanisms (triple-bottom line criteria for choosing the developer, collaboration with the community) and tools (a detailed purchase agreement to ensure triple-bottom line outcomes). Despite their regulatory capacity, the tools used to ensure accountability to the sustainable vision for the site were not regulations or bylaws; rather they were the conventional ownership tools of contracts, financial penalties and covenants.

While we have defined site control as *“the process of securing strategically significant parcels of land until the necessary mechanisms are in place to develop the land in a sustainable manner,”* we recognize the high costs associated with full control (i.e. ownership) in most communities makes this option unlikely for most municipalities or community groups. The challenge for sustainable community development rests in the vast majority of cases that lie between the Nelson and Victoria examples. In both of our cases, the projects were initiated by private investors or through support of the local municipality. But how can the unique conditions that led to these types of development projects be supported and scaled-up so as to provide viable alternative development options for communities across the country?

We believe there is a need for “sustainable real estate speculation” based on sustainable community development principles that are evaluated using multiple-bottom line criteria. Sustainable real estate speculation actors would focus on identifying and assembling strategic sites and then ensuring their development according to sustainability principles. They would acquire ownership and development rights to sites and then modify them as needed (e.g. through rezoning or covenants) to create SCD “development-ready sites” that are legally structured to ensure sustainable development outcomes. By not

necessarily committing to developing the properties themselves, these actors would have the flexibility to rapidly respond to market opportunities, engage in multiple regions with multiple local partners, and leverage a relatively small capital investment in land to create a significant impact on development. The CWE in Nelson is an example of such an actor: they purchased the property, created a development concept consistent with community values, and then sold it to a developer at a profit. These actors could be for-profit or non-profit or hybrids (e.g. social entrepreneurs); what is critical is that they have a transparent, institutional commitment to sustainability (such as VanCity's mission statement) to which they can be held accountable. We make recommendations for 1) a new type of ownership actor, 2) financial incentives for new and existing actors, and 3) research and capacity building to support sustainable real estate speculation across Canada that will achieve site control for sustainable community development purposes.

Recommendation 1: New Actors - Sustainable Real Estate Development Corporations

It is critical to have ownership, development and investment actors that will engage in sustainable real estate speculation for sustainable community development at an appropriate scale across the country. These organizations must lead a transition from an adversarial and competitive model of development to one fostered on values of partnership, collaboration, trust and innovation. In developing these new models for site control, it is important to learn from existing models with similar applications such as community development corporations, community land trusts, and cooperatives that have been successful at fostering economic development, protecting and assembling strategic property, and introducing multiple evaluation criteria (i.e. beyond economic) into the market.

The development of a provincial or national real estate development corporation modeled on the Canada Lands Company (CLC) could be an example (see www.clc.ca). CLC is self-financing and acquires surplus federal properties at market value, adds value through rezoning and either redevelops the properties or sells the property to developers for a profit. CLC seeks to maximize financial and community value, however, applying sustainable community development principles are not an explicit priority. CLC has been responsible for redevelopments that incorporate green building (e.g. 401 Burrard, Vancouver), mixed income housing developments (e.g. Garrison Woods, Calgary) and brownfield rehabilitation (e.g. CN rail property, Moncton), while providing revenue to the federal government.

There are many examples of community development corporations (CDCs) in Canada that have been established for affordable housing initiatives (West Broadway, Winnipeg) or to stimulate reinvestment in strategic and underused sites (Toronto Economic Development Corporation) whose existing mandates are not oriented specifically towards sustainability principles.

A national or provincial sustainable real estate development corporation would work in partnership with these community development corporations, with federal or provincial government departments (e.g. CMHC, Regional Development Agencies, Infrastructure

Canada, etc.), and in partnership with local municipalities and community groups to identify strategic lands. The sustainable real estate development corporation would obtain site control through the purchase of a property, would develop a vision for the site that maximizes community capital and would arrange for the sale of the property to a developer committed to SCD principles. Proceeds from the sale could then be used to acquire additional properties. Potential sources of capital investment for a sustainable real estate development corporation could include individual and institutional investors in the growing “sustainable investment fund” market (Jeucken, 2001) or through government support. Once the fund reaches the capitalization required for the initial acquisition of properties, the fund could be in a position to be self-financing and offer returns on investment.

Recommendation 2: Financial Incentives

Another way to foster sustainable real estate speculation for site control is to provide financial tools and incentives (such as revolving loans or tax credits) for existing actors to engage in site control for sustainable community development. These financial incentives could be used by developers committed to sustainable community development to defer some of the costs of the acquisition of strategic sites.

A **national revolving loan fund** to support municipality and community partnerships could finance the strategic acquisition of properties to obtain site control for SCD. In many cases, it may be sufficient to fund options on a property, allowing strategic sites to be land banked until such time that there is sufficient interest (private sector investment) for redevelopment. With site control, an owner could issue requests for proposals for redevelopment that meet SCD criteria (similar to the Dockside case above).

The Green Municipal Funds (GMF) administered by the Federation of Canadian Municipalities provides an example of a revolving loan fund designed to provide financing for municipalities for innovative environmental infrastructure projects (see www.fcm.ca). The GMF could serve as a model for a revolving loan fund dedicated to sustainable real estate speculation for site control. The revolving loan fund would provide capital at reduced interest rates, thereby providing a financial incentive for existing real estate actors to engage in site control for sustainable community development. Municipalities and community partnerships would submit an application for funding that would be evaluated by FCM based on SCD criteria.

Federal tax credits are another option to encourage new and existing actors to engage in sustainable real estate speculation. The US federal government established the New Markets Tax Credit (NMTC) program to encourage private sector investment in low-income communities. The NMTC program could serve as a model to encourage increased private sector investment for sustainable community development real estate opportunities. Locally accountable community development corporations with a mandate to invest in local sustainable community development projects could act as the investment vehicle for the tax credits. CDCs could apply to the federal tax credit fund on

a competitive basis based on specific criteria to obtain a monetary allocation. Taxpaying investors (individual or corporations) would make an equity investment in the CDC and receive the tax credits in return, thereby creating a financial incentive for sustainable community real estate development. The CDC would then have the necessary resources to engage in sustainable real estate speculation and obtain site control for strategic sites.

In the US, the NMTCs have been used to leverage additional investment resources dedicated specifically for smart growth real estate investments. For example, the Portland (WA) Armoury was a heritage site that was for sale. By combining tax credits with private sector investments, the Portland Development Corporation was able to reduce the cost of purchasing the property by approximately 40 percent. That reduction allowed for a local theatre company to purchase and renovate the site to LEED gold standards.

Recommendation 3: Research and Capacity Building

Further research is needed to articulate the business case for the sustainable real estate development actors described above, including the development of toolkits and best-practices guides.

Conventional real estate finance tools such as proformas and net present value calculations are inadequate as they do not factor in the multiple bottom lines and long time horizons required for sustainability. Similarly, policy toolkits are needed to educate community members, developers, and local government politicians and staff on the array of site control tools available, such as innovative land leases that contain restrictions on use (e.g. UniverCity, Burnaby); purchase agreements that outline how a site will be developed; triple-bottom RFPs; and covenants and easements (e.g. Nature Conservancy). These toolkits would complement existing toolkits for sustainable community planning, such as those developed by Smart Growth BC, FCM, and West Coast Environmental Law. The toolkits for sustainable real estate speculation would be focused specifically on the site control tools that can be used to gain site control, to influence those who have site control or to ensure sustainable community outcomes prior to engaging in the site development process.

Building capacity for sustainable site control requires a variety of information services that include technical assistance for 'green' site design; real estate and development consultants; education and training programs; and policy analysis. It also requires significant strengthening of the social capital within the sustainable building cluster. The Sustainable Building Centre (SBC) in Vancouver is an example of a new organization that may fill in these gaps for that region. A joint project of the Centre for Sustainable Community Development at SFU and Ecotrust Canada, the SBC will provide a high-profile information and service hub through which to coordinate and integrate networking, policy and capacity building efforts throughout the region. As with BCBC in the Dockside case study, the SBC's non-profit status and institutionalized commitment to sustainability make it a neutral and low-cost provider of market and non-market services.

The creation of similar organizations throughout the province and nation would have the potential to accelerate sustainable land development practices in Canada.

Based on this research, it is recommended that CMHC should:

- a) Support additional research that will identify criteria upon which strategic sites for sustainable community development can be identified.
- b) Fund additional research into the business models for sustainable real estate development actors and criteria upon which revolving loan funds or tax credits could be allocated in support of site control for sustainable community development.
- c) Continue to support research and capacity building to inform and support sustainable site control actors. Further research is needed to develop specific toolkits for site control, best practices guides and multiple bottom line real estate investment.
- d) Disseminate this research to other federal departments and agencies (such as Canada Lands Corporation) and initiate discussions regarding the potential to collaborate and pilot the development sustainable site control and real estate development activities and actors.

4.2 Conclusion:

While work on orienting local land use planning toward sustainability continues, support for site control will provide three key benefits to communities. First, it will ensure that key strategic sites are developed to their full sustainability potential. These strategic sites may be defined based on their proximity to existing services and infrastructure, by cultural / historical significance, by community values or by environmental significance.

Second, site control for SCD will provide tangible examples of sustainable land use developments. These “living laboratories of SCD” are the key learning sites required to increase the rate of transition towards sustainability. These best practices will provide the developers, communities and municipalities with the necessary practical examples that demonstrate the potential of SCD within specific local contexts.

Finally, developments that arise from site control for SCD will provide the opportunity to test and refine changes to the land use planning process as the barriers to local sustainability are addressed and the gap between planning and implementation is closed. These examples will provide tangible examples of the planning processes, mechanisms and tools that work and of those that do not work for SCD.

It is clear from this research that “development happened differently” in Nelson and Victoria because of the shared visions of the people involved and not because of any existing institutional policies or support for sustainable community development. Both

cases were deviations from standard practices and have resulted in significant shifts towards sustainability; however, neither one has generated the type of institutional policy commitments needed to transform development within their regions or even the adjacent areas. Clearly, new policies, market mechanisms and significant additional federal, provincial and municipal leadership is required if we hope to transform our communities into the vibrant, sustainable places they have the potential to be.

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Appendix 1: Forms of Community Capital

(Roseland, 2005)

Natural capital or environmental capital, consists of the biophysical resources, living systems and life-support services of our planet. Natural capital can be usefully divided into three categories:

- (i) Environmental resources (non-renewable, renewable, and continuing resources),
- (ii) The finite capacity of natural systems assimilate wastes, and
- (iii) The provision of environmental or 'life-support' services such as oxygen etc.

Minimizing the consumption of essential natural capital means living within ecological limits, conserving and enhancing natural resources, sustainable resource management (soil, air, water, energy, agriculture, etc.), cleaner production, and minimizing waste (solid, liquid, air pollution, etc.).

Physical capital is the stock of material resources such as equipment, buildings, machinery and other infrastructure that can be used to produce a flow of future income. Physical capital is sometimes referred to as produced capital (NRTEE 2003), manufactured capital (Goodland 2002) or public capital (Rainey et al 2003).

Improving physical capital includes focusing on community assets such as public facilities (e.g., hospitals and schools), water and sanitation, efficient transportation, safe, quality housing, adequate infrastructure, and telecommunications

Economic capital refers to the ways we allocate resources and make decisions about our material lives. Economic capital should be maintained in order for people to live off the interest, or income.

Strengthening economic capital means focusing on: making more with less – maximizing use of existing resources (eg. using waste as a resource); making the money-go-round – circulating dollars within a community; making things ourselves - import replacement; making something new – creating a new product; trading fairly with others; and developing community financial institutions.

Human capital is the “knowledge, skills, competencies and other attributes embodied in individuals that facilitate the creation of personal, social and economic well-being” (OECD, 2001).

Increasing human capital requires a focus on areas such as health, education, nutrition, literacy, and family and community cohesion; basic determinants of health such as peace and safety, food, shelter, education, income and employment are necessary prerequisites.

Social capital is “the relationships, networks and norms that facilitate collective action” (OECD 2001), or the shared knowledge, understandings, and patterns of interactions that a group of people bring to any productive activity (Coleman 1988, Putnam 1993).

Multiplying social capital requires attention to effective and representative local governance, strong organizations, capacity-building, participatory planning, access to information, and collaboration and partnerships.

Cultural capital is the product of shared experience through traditions, customs, values, heritage, identity, and history. Cultural capital is particularly important in aboriginal communities and in other communities with a long history.

Enhancing cultural capital implies attention to traditions and values, heritage and place, the arts, diversity, and social history.

Appendix 2: Nelson Case Study Timeline

Date	Item
1993	<ul style="list-style-type: none"> - Official Community Plan (OCP) outlines the Central Waterfront as a mixed use area with retail and office commercial, tourist commercial, high-density residential uses and public use facilities to be accommodated. Public and open spaces and parkland will augment private open space and recreational areas. - OCP requires that major projects in the Waterfront area receive public review above and beyond the public hearings required for re-zoning applications as the Waterfront is recognized as a unique city-wide amenity. Goal is to link waterfront to downtown.
1998-2001	<ul style="list-style-type: none"> - City council funds a conceptual design for the BCBC owned waterfront lands based on the perception that BCBC will be selling the lands soon. - Design consists of a mixture of high density residential, commercial, light industrial, artisan workspace and greenspace. Holistic development plan that demonstrates the potential of linking waterfront to the downtown based on OCP principles. BCBC conducts site remediation to residential standards.
March 2001	<ul style="list-style-type: none"> - Owners of Chako Mika Mall express interest in the property in order to expand the existing Walmart store. - BCBC applies to council to rezone a small portion of the site from park to commercial to provide greater flexibility for the sale of the property. Rezoning results in substantial opposition. Rezoning application is put on hold. - Council recommends that the Advisory Planning Commission (APC) conduct a planning and visioning exercise for the West and Central Waterfront and report back to council with recommendations in the New Year.
Aug. – Oct. 2001	<ul style="list-style-type: none"> - Save Our Waterfront committee is organized and collects 4000 signatures on a petition that requests council to either purchase the property or request BCBC delay the sale of the property until after the APC submits their report.
Oct. 2001	<ul style="list-style-type: none"> - Council confirms to BCBC that the City is not interested in purchasing the property and BCBC goes ahead with process to sell the property. - BCBC places the property on the market requesting bids for the property over a 1-week period. Under BCBC's normal terms of sale (highest offer is not necessarily accepted). - Group of community investors get together and are able to raise enough money to submit a bid for the property. Their \$1.2M bid is successful and they incorporate themselves as Central Waterfront Enterprises (CWE) Ltd.
Nov. 2001- Mar. 2002	<ul style="list-style-type: none"> - APC conducts a number of public workshops to outline the possibilities mixed use developments on the Nelson waterfront. APC submits the Waterfront Vision Document to council that will serve as a guide for planning development and decision-making for the West and Central Waterfront. - Recommendation that council develop an official waterfront community land use, transportation and open space plan with associated design guidelines.
2002-2004	<ul style="list-style-type: none"> - CWE seeks to engage a developer with experience in mixed use developments and who is committed to the OCP vision. Development prospectus is sent to over 16 potential developers without success.
Jun. 2004 – Apr. 2005	<ul style="list-style-type: none"> - CWE hires a development consultant to develop a comprehensive development plan. - A potential developer is identified and they are invited to participate in a charette process to define pragmatic options for the site. They are involved in the development of the site plan and concept.
Jun. 2005- Sep. 2005	<ul style="list-style-type: none"> - CWE is currently finalizing the development agreement and terms of sale of the property to the developer. The site plan consists of 100 units of senior housing, 80-100 condo/townhomes, 15-30 live/work lofts and commercial space designed based on public access open spaces and pedestrian oriented principles. - Area will have to be rezoned as the existing zoning does not match the OCP and it is currently zoned for industrial uses.

Appendix 3: Victoria Case Study Timeline

Date	Item
1989 - 2001	<ul style="list-style-type: none"> City of Victoria (“the City”) purchases Dockside from the Province of BC in 1989 and generates \$3.1 million in debt from remediation and marketing activities.
2001 - 2002	<ul style="list-style-type: none"> City creates the Dockside Project Team and the Dockside Steering Committee; retains the British Columbia Buildings Corporation (BCBC) as real estate consultants for the project and retains Morrow Environmental Consultants Inc. (Morrow) to identify remediation options; Morrow estimates a cost of up to \$12.7 million. City prepares a Business Case for the Dockside development (completed Sept. 2002).
Jan / April 2003	<ul style="list-style-type: none"> A public consultation process is initiated for Dockside Lands based on the Business Case. A Community Advisory Committee (CAC) develops site “Vision and Planning Principles”; Public Open Houses and Workshops are held to review and revise them.
May/ Sep 2003	<ul style="list-style-type: none"> A Market Risk Analysis is conducted for the site; it recommends a mixed-use development with an average density of 2:1 FSR. Design Guidelines for the site are developed based on the public consultation process.
Sep / May 2004	<ul style="list-style-type: none"> A Dockside Development Concept is prepared by the Dockside Project Team. It passes through three public review processes and is approved by Council in May 2004. Colliers International (Colliers) is retained to act as the real estate agent for the sale.
June/ Aug 2004	<ul style="list-style-type: none"> Request for Expressions of Interest (RFEI) for Dockside issued; includes indication that proposals will be evaluated using a triple-bottom-line matrix. An Evaluation Committee is created for the RFP process that includes senior city staff, BCBC, Colliers, Morrow, a Fairness Auditor and a Community Auditor. A Draft Request for Proposals (RFP) is developed and circulated to the Victoria West Community Association and the qualified RFEI proponents for comments.
Sep 2004	<ul style="list-style-type: none"> City issues the Request for Proposals (RFP) to qualified proponents (Eight proponents responded to the RFEI; six were invited to submit proposals).
Nov/ Dec 2004	<ul style="list-style-type: none"> Proposals are submitted by Vancity Enterprises / Windmill Developments (VCE/Windmill) and Westbank Projects Corporation (Nov. 4); VCE/Windmill are selected by unanimous Council vote after public consultation and presentations.
Jan/ Sep 2005	<ul style="list-style-type: none"> As stipulated in the RFP, two public meetings with the developer are held in January. Master Development Agreement developed, signed and made public. Sale finalized and development permit issued (Sept); construction start date Feb 2006.

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