

Making it Happen - The Transition to a Sustainable Society

Proceedings: Workshop 3

Barriers to Sustainable Communities

What's stopping us from building sustainable communities
in Canada?

April 14, 2009

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Introduction

This document summarizes the salient features of a discussion among environmental advocates about how to overcome barriers to building a sustainable community in the Ottawa-Gatineau region. The workshop was held on April 14th at the Telfer School of Management, University of Ottawa.

The objective of the session was to identify areas where the “rules of the game” need to be changed in order to move toward environmentally sustainable housing. This required identifying the non-technical barriers to applying innovations in cases where technologies are already available and ready to be implemented. While the primary focus was on the Ottawa region, ideas advanced could have applicability across Canada.

The challenge of economic thinking

There is general social consensus about the need for sustainability, but we are no closer to a consensus on how to get there. Workshop participants agreed that the impediment does not lie in technology, which is available, but in the political will to make things happen. One of the main impediments to political will is conventional economic thinking which continues to focus on growth. Since macroeconomics has no boundary function that might set a limit to growth, the only way of changing conventional economic assumptions is by addressing the demand side.

One approach is to foster an understanding of the true costs of everything. Historically, the costs of wastefulness or pollution have been ignored because they have been treated as externalities. Were we to incorporate the costs of remediation and sustainability into the economy through mechanisms such as the carbon tax, or a cap and trade regime, this could influence demand or it could spur the introduction of new technologies as a way of keeping costs low. It may be what helps us to move from an extractive to a regenerative economy without the imposition of additional regulations.

It is observable that no economic system has provided an adequate quality of life without growth. A major challenge will be to achieve development without ever more resource consumption. Society has not solved this economic issue and yet no one seems to be addressing it. This constitutes a major conceptual problem for any innovative economic thinking and the conventional alternative is the “one size fits all” that depends on growth. In this sense, it can be said that economics may be a good servant but it is a very bad master.

The situation of Ottawa

Discussion about Ottawa’s current situation was led by Mr. Alex Cullen, Ottawa City Councillor. The City of Ottawa is beginning to invest less in roads and more in public transit with cost being the most significant driver of this transformation. Across the entire community, the real, all-in costs of providing for private transportation (roads, cars, energy, and emissions) are simply getting to be too high.

It is possible for Ottawa to move toward public transit but a key question is whether or not the city will have the population density that allows for transit to be a cost-effective alternative. At the moment, the population remains widely dispersed.

The old official plan accepted the move to the suburbs which it saw as full-service communities driven by their own internal economic dynamics. Kanata achieved this because businesses located there,

creating local employment for the people who live there. The same has not happened elsewhere: communities such as Barrhaven, Orleans, or Riverside South do not have a self-sustaining, indigenous business core. The city is still waiting for changes in price relationships that will induce companies to locate in those types of communities. As a result, people who live there must travel to other parts of the city to earn a living.

From a municipal perspective, the suburbs are far more expensive to service than the denser downtown core. Moreover, public transit depends on population densities along the transit routes to make them cost effective. If the population is spread out, everything is more expensive and less viable economically.

As energy prices trend upward, cost relationships will change and the City may be in a better position to support massive green spending. At the moment, the City cannot compel builders to “think green” if the market is not looking for it, though it can try to hold the line on building ever more roads. Should market conditions change and should there be a return of people to the downtown core, this will strengthen the impetus for public transit.

Just as economic necessity is pushing Ottawa toward public transit, it is also pushing the city toward waste diversion. The costs of landfill are rising and more attention will have to be paid for alternative approaches to dealing with waste.

In Mr. Cullen’s view, the top three challenges facing Ottawa are:

- getting the private sector to move to higher density housing that will mean more efficient land use relative to the services that the city provides to ensure that there are enough people using these services to make their delivery cost-effective;
- encouraging more efficient public use of transit; and
- upgrading infrastructure so it has less of a negative impact on the environment.

Highways vs. transit

In terms of transportation, people want the maximum amount of choice but if they are presented with the right combination of incentives and disincentives they will be more inclined to make the sustainable choice. At the moment, sustainable development is not specifically attractive but imposing more regulations will not make it more attractive.

Cities such as Ottawa are caught in a somewhat perverse revenue system: there are far larger public subsidies for private transportation (the construction of highways is wholly paid for out of tax revenues) than there are for public transit (half of the costs of which are covered by fares). One way of changing this is price, should the cost of oil go through the roof. Perhaps changes could also be made to insurance. The point is to reduce the amount of public money spent on maintaining the car-centred economy and increase the money going into public transit.

Transit, however, is a complex issue. Public acceptance of transit depends on the convenience of having stops within walking distance. Schedules are also important since people will want regular, reliable service at all hours, not just in peak times. There is also the question of capacity: if fares are dropped to attract more ridership, does the system have the vehicles to satisfy the extra demand? How quickly can such capacity be acquired? The current system embodies rigidities that limit the City’s ability to adjust fares.

In the US the federal government subsidizes transit operations and there are cheaper fares. Canada does not have a national transit strategy: we have the gas tax rebate, but its proceeds go to many different spending envelopes. That leaves the municipalities relying on users and their own limited tax base to deal with transit. It would require convincing the two upper levels of government that it is in Canada's collective interest to promote public transit through lower fares. It remains ironic that there is public acceptance for funding 100% of all road construction out of property taxes but there is no political will to support public transit in the same way.

One lever that cities have is zoning. For example Ottawa encourages higher density construction near transit routes as a way of ensuring ridership. The real issue, however, is still how the market responds and the big challenge is to move toward the proper pricing relationships to encourage more investment in public transit. There is still too much fragmentation among the different institutions operating at the municipal level to get coherent and aligned policies, incentives and priorities.

Lessons from British Columbia

Mike Harcourt, former Premier of British Columbia, joined the workshop via videoconference. There is a popular misconception that the costs of congestion are high but the fact is that the cost of serving low density areas is twice that of high density areas. And freeways cost twice as much as rail. Given these facts, it is essential to link land use and transportation. What is more, we need to accelerate this process: with six billion people on the planet, large cities are already disasters and they can only get worse as the population heads toward 9 billion.

It is critical to get cities right and to do it quickly, otherwise we will over consume our dwindling resources to keep cities going. It is arguable that 100% of the world's natural resources are consumed because of or by cities, either directly or as inputs. In Canada, about 95% of the population lives in about 120 large and medium cities. These cities consume six to nine times the carrying capacity of the land they occupy.

But cities are all about choices. Downtown Vancouver used to be full only between 9 a.m. and 5 p.m. because zoning did not allow residential development in the downtown core. Since this was rescinded, the change has been extraordinary and the result is that 75% of people now do not take their cars to work.

There is a need to focus on the legal and fiscal framework, the by-laws and the regulations to make things happen. Many politicians will only do it, however, if they are pushed. Public opinion needs to agree that urban sprawl is a disaster and that the choices we made in the past have had a massive negative impact on the quality of life. As an antidote, they have to be presented with a more appealing vision of a sustainable lifestyle. That would mean energizing the inner city and reinventing suburbia. It would mean attracting tens of thousands of people downtown, it would mean higher density suburbs, and it would mean building additional transit lines to help shape growth patterns. All of this would have to be accompanied by sustainability accords, green building codes, and appropriate pricing of roads and transit. Getting the economics right is key to moving in the right direction.

Urban planning

One technique of urban planning used to great effect in British Columbia has been the sustainability accord. These are urban charters that provide for higher densities, a massive investment in transit, different ways of provide water and sewers, all of which allow the municipalities to get ahead of the

demands of developers. The point is to focus on an entire region that is livable, not just on a local community.

Several decades ago, about 70% of prime agricultural land and key eco systems were set aside and made unavailable to development. Of the remainder, much of it was set up for intensive development. For example, Surrey sprawled for many years and people could only get around by car. It adopted a sustainability charter with a new mayor and council. As a result, it is moving to a more compact city centre that is four times as dense. It is supporting the construction of townhouses and apartments along its bus routes and it is promoting higher densities in suburban development. By contrast, Coquitlam agreed to go to a denser city centre and supported denser building but they have been missing a rapid transit line that can tie it all together and will only get one in the next five years. Such examples illustrate the need to link transit, roads and higher density development in one strategy.

Political leadership

There is no denying that a lot depends on the political and administrative leadership at the municipal level, and the willingness of decision makers to work with their provincial and federal counterparts. It is this leadership that plays a critical role in using tools such as green building codes to create the pricing incentives and disincentives that can move people toward sustainability.

In 1973, British Columbia's NDP government brought in an agricultural commission that protected agricultural land from development, despite the protests of developers. The government also made it a condition of provincial funding that communities had to adopt a liveable strategy: otherwise they would have to pay for development themselves.

We can see similar initiatives now occurring in other provinces. Ontario's *Places to Grow* legislation has been brilliant in putting down markers by protecting land from development and making money available to communities to adopt sustainability policies. Alberta has set aside \$23 billion for sustainable development and it is moving toward incentives and disincentives to create communities that are less reliant on cars. Such examples show that there is a road map to sustainability, but it needs a political push to make the journey.

Cities such as Calgary, Edmonton, Waterloo, or Guelph had already made substantial progress. By contrast, Ottawa got overtaken because it only looked at the bottom line and focused on taxes. As a result, sustainability momentum was lost. Now the debate needs to move back out into the public since politicians will do nothing until they see which way public opinion is shifting.

Ultimately, the issue depends on an ongoing interaction between public opinion and political leadership. To take the example of Surrey, which used to be a sprawling disaster, thoughtful people and community leaders got tired having to apologise that they were from Surrey. They were also alarmed by the rising cost of providing services across a low-density community. The embarrassment factor played an important role in mobilizing action. Opinion coalesced around a member of council, who split from the leading municipal party, took on the mayor, and beat him in an election on a platform of significant change. The new mayor put together her own political party from across the spectrum which now has seven out of nine councillors, with the remaining two sympathetic to sustainability objectives. In the end, people grew up and wanted to be proud of their community.

The need for vision

To be effective, leadership has to be broadly networked and sustained over a long time. Ultimately, it depends on a consistent long-term vision that guides action and encourages people to keep at it. This kind of initiative can be compared to the anti-smoking campaign, which took decades but which has been extremely successful. The same thing will happen to public attitudes about wasting energy: people will be embarrassed out of it and cost calculations will eventually tip the balance against squandering money on inefficiency. Ultimately the low-density highly inefficient suburban model that has dominated planning for the past half century may become a thing of the past.

Competing rights

Often, the problem is one of competing priorities. In some of BC's smaller communities, the biggest problem was caused by the fire chief who wanted wide local roads for fire trucks dealing with emergencies. Municipal engineers became afraid of any liabilities the city might incur but the way around this was not to distort sustainable development but to create an insurance fund or legislate away any potential liability. In a sense, land-use is the foundation: there is a need to legislate around this and only then bring in other systems.

As we move toward a new vision of sustainability, however, we have to be mindful of its impact on traditional rights. Fewer single family homes will be built and those that are will be more expensive: this will affect those parents that still want a lot of space for their children. Of course the typical family today is much smaller and may not want a huge house. That will make big single-family houses more difficult to sell.

The same type of problem was faced by British Columbia farmers. When the agricultural commission prohibited development on their land, their right to sell their land was affected and at least some of them were unhappy because they could make a lot more from selling their land to developers than they could from continuing farming.

The issue is not a lack of land, but rather how land was to be used. The original policy response was to compensate the farmers, but that would have bankrupted the provincial treasury. The policy that ultimately emerged was that farmland was to be kept as farmland and different tax-breaks and subsidies were created for farmers as incentives to keep them farming. The developers complained bitterly but the government stuck to its guns, which is why, for example, Vancouver now regularly appears near the top of any list of the most liveable cities in the world. Real leadership means trading off the short-term rights of specific groups for the long-term community-wide interest in liveability and sustainability.

Mobilization

It usually takes a crisis to mobilize people into action. Several decades ago, a proposal was advanced to build a freeway through the heart of Vancouver. The project would have destroyed countless communities and historical districts, replacing them later with subsidized public housing. The proposal galvanized the opposition and raised the issue of what a good city should look like. In fact, the case of Vancouver was a very important watershed in Canadian urban policy, which moved from the urban renewal model to the liveable city approach. Its direct echo was seen in a similar movement to stop the Spadina Expressway in Toronto.

As a result, there has been a change in how we think about the downtown core. Instead of a workplace that is only inhabited between 9 and 5 o'clock, the ideal is now a core where people actually live all the time. It took a crisis like the original freeway proposal to get to this new vision of what a city should be.

B.C.'s decision to stop development on agricultural land came about because of a similar crisis as it became clear that the province was losing farmland in a geographically challenged area where there was little arable land available to start with. The danger of having it paved over and of having to import food from increasingly distant sources galvanized opposition. That was what led to the Commission on Resources and the Environment which started a process of engagement that ultimately led to the liveable region strategy.

That experience forced the government to make some hard choices about what to protect and what to develop. Moreover aboriginal rights had to be recognized, modern forestry practices promoted and natural ecosystems protected from disruption. In essence, the government determined to rezone the entire province, an exercise that required levels of cooperation that were not initially available.

As Premier of B.C at the time, Mike Harcourt had the experience of trying to get provincial ministries to share the use MacDonald Dettwiler's satellite imaging system in the rezoning exercise. It took several attempts and ultimately the threat of dismissals to force senior officials to abandon their opposition to information sharing. The lesson is that in some cases, only determined and constant pressure from the top is able to overcome inertia and traditional prejudices.

The need for a national strategy

Fragmentation of decision making remains a huge problem. Nowhere is this clearer than in the federal government, which consists of a series of discrete silos. This makes it very difficult to pull together the resources needed to make a difference. For example, the federal government is the single largest owner of buildings in Canada - something like 6 million square metres of space. If it adopted a single consistent green building strategy, it would have a huge impact on the marketplace.

There are many ideas about an appropriate role for the national government. For example, it could contribute more to the capital costs of municipal transit systems, linking them to more compact city centres and growth corridors. Adoption of such a policy would have a significant impact on greenhouse gas emissions and move toward sustainable cities. At the moment, such initiatives are local and piecemeal: only the federal government has the ability to undertake bold, coordinated changes across all of Canada.

There is an opportunity introduce new legislation around land use, transportation and building to encourage multi-use communities, green buildings, energy efficiency, waste recycling, and conservation. Ontario is currently adopting this approach and the federal government could follow this example.

Funding from the senior level of government should be made contingent on better design. The federal government already has some influence over this through its gas-tax agreements with the provinces. The agreements do mention sustainability, but this has to be enforced to be taken seriously. In BC, the province and municipalities all agreed to use their share of the gas tax for sustainability. About \$2 billion a year is now going directly to support the development of municipal transit. Ultimately, to support sustainable development, Canada's municipalities need more money than what is provided by just a gas tax or GST rebate.

At the federal level, there is also a need for smart legislation that incorporates sustainability principles. At the moment, the provinces are leading this but the federal government can play a role by endorsing their approach and shifting its programs to reinforce those objectives. It can pay a much larger share of light-rail transit projects. It can endorse the Cities Plus concept. It can promote integrated community sustainability planning.

It is instructive that when the federal government established a department of urban affairs a few decades ago, it was eventually swallowed by other ministries. If we are to move forward quickly, it makes no sense to waste time setting up another bureaucracy. It would just be faster to create a lean federal coordinating bureau.

At the moment, a lot of money is being spent on stimulus in the face of the recession. Many projects that had been shelved for lack of funding are now back on the table. This infrastructure money represents an opportunity to advance sustainability if projects are tweaked in that direction.

The scope for federal action

The federal tax system could potentially be a very powerful policy instrument. Federal officials say they would like to keep the tax system “pure” but it already helps oil and gas companies. If there were a political will to promote sustainability there are several ways of doing so.

- Capital cost allowances can be adjusted for companies that are taking risks in developing or applying green technologies. This would be similar to the tax rebates available for residential homes that are R2000 or better.
- Targeted spending could combine social housing, residential rehabilitation and improvements to downtown neighbourhoods, the latter of which could also be positioned within the context of crime prevention.
- The federal government also plays a larger role in the promotion of certain kinds of R&D: incentives could be created for development or commercialization of green technologies.

Generally, the federal government is better at promoting research than it is at commercialization. But it can set up mechanisms to provide unbiased technical advice to evaluate emerging technologies and use its procurement power to encourage adoption and application so that new technologies move to the next stage. Commercialization could also be encouraged by application to federal buildings and lands where sustainability principles could be enforced. There could also be legislation that addresses liability issues that are impeding progress to sustainability.

There is also the probability that the federal government will have to adopt a zero waste policy. The chances of this happening at the federal level are good because there are many precedents. California now has a permanent shortage of water and Calgary has run out of landfills. A combination of altruism and self interest (fear and hope) can be effective in moving federal departments in the direction of sustainability, but leadership is still required and the federal government still needs to be persuaded to take action.

Building momentum

Some leadership will have to come from the bottom up. Municipalities need to assert that they are prepared to move aggressively on sustainability and offer to work with the federal government in this

area. Barriers could evaporate if there was a clear ask that makes it easy and safe for bureaucrats to accept. This means being very practical, knowing what you want to become, taking it down to a program level, and then applying the political acceptability test.

Another way of building momentum might involve a coordinated single approach from the provinces, or at least a significant number of them, asking for significant federal investments in green infrastructure. In effect, this would be making the federal government an offer that it cannot refuse. A coalition of high-growth communities is working on a brief covering land use, investment in transportation, infrastructure needs, containing sprawl and limiting large highways. Another brief is being prepared on property tax, since the current approach is inadequate to finance the needs of modern cities. For such initiatives to succeed, they will have to attract the support of local mayors, the Federation of Canadian Municipalities, provincial governments and such coalitions only work if there is an explicit understand of who is involved and what role they are to play.

Key provinces such as Alberta, Quebec and Ontario should be working in some kind of alignment. At the moment, Ontario has taken major steps forward by investing more in transit than any other province. Its Minister of Energy and Infrastructure is leading an effort to use infrastructure funding as a lever to adjust municipal plans in accordance with the principles of *Places to Grow*. The intention is to invest \$15 billion over the next five years and another \$30 billion after that.

It is not enough to develop a plan, however. Such initiatives must also incorporate accountability. Governments must be forced to report against progress, especially prior to an election and the best way of doing that is to set concrete benchmarks around land use, transit, and water use.

Education and public opinion

Political momentum cannot be built without public awareness. That starts by building sustainability into the educational curriculum as part of social studies and civic affairs. Universities should build it into every one of their faculties.

There is also a need to build broadly based coalitions. Obvious candidates include the development community, Canadian homebuilders, urban planning and development professionals, and the real estate community. Generally, different groups need to see sustainability as working in their own long-term interest.

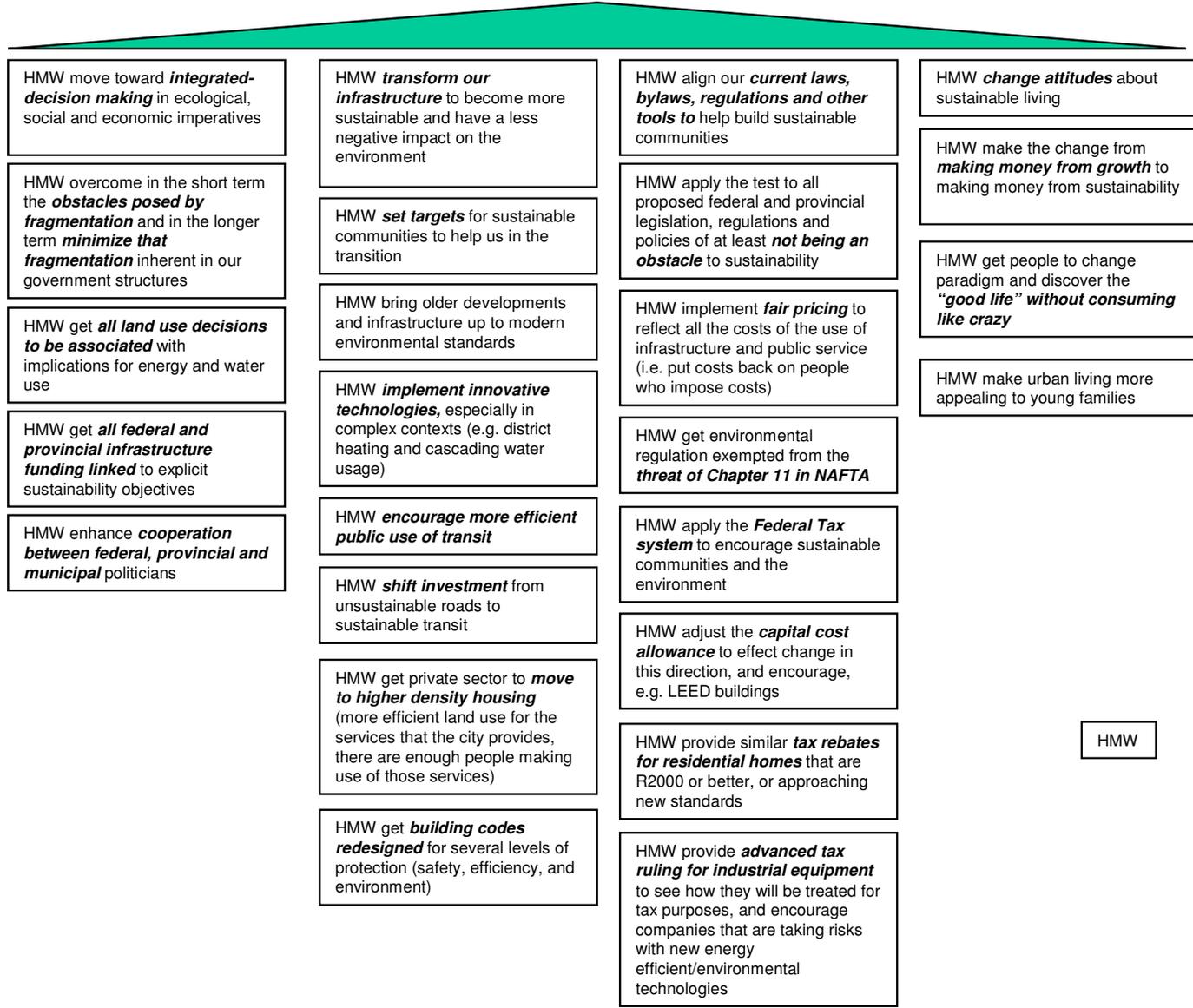
Beyond that, ordinary citizens need to be persuaded that they can still enjoy the good life without mindless or wasteful consumption. That implies a fundamental shift in thinking about what is valuable or important.

Conclusions

The workshop ended by formulating a list of the most important challenges facing a municipality such as Ottawa as it seeks to move toward sustainability. These were expressed as a series of “How Might We” statements and arranged in a logical mapping (see Figure 1) to show the sequence of dependencies as decision-makers and planners seek to make the transition to sustainable communities.

HMW = How might we...?

HMW make the transition to sustainable communities



List of Participants (in alphabetical order)

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