

***RESCALING FOR REGENERATION? CANADA'S URBAN DEVELOPMENT
AGREEMENTS***

Neil Bradford, Huron University College, UWO

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INTRODUCTION¹

In the last decade or so many governments across the OECD have focused attention on policies and strategies for a national urban agenda. Growing awareness of the role of cities as strategic economic, social, and cultural spaces in the global age has compelled governments at all levels to understand better the urban impacts of their policies, and to find ways to coordinate the different interventions. Perhaps the most prominent expression of the new agenda is the turn to multi-level governance. Through formal agreements, typically stretching established jurisdictional allocations, governments increasingly are joining-up with one another and with community and private sector actors. In so doing governments aim to bring an “urban lens” to the policy process, aligning and customizing traditional sectoral programs for a concerted attack on the major challenges now converging in big cities. Yet, as the burgeoning case study literature on the European experience with multi-level urban governance makes clear, such state policy rescaling from national to highly localized geographies is a complex and contested project. Controversy persists among both urban scholars and policy makers about the viability and desirability of the ‘local turn’ in national policy.

This paper contributes to the discussion by examining the most notable Canadian example of multi-level urban governance. Dating back to the early 1980s a series of five year Urban Development Agreements (UDAs) has been negotiated in Western Canadian cities. Bringing together the federal, provincial, and municipal governments in joint governance structures, and engaging the community and business sectors in projects, Canada’s UDAs have generated much interest and recognition as robust examples of the new urban agenda in action. Surprisingly, there has been little academic study of the UDAs. Given their profile and decades long history, a series of questions merit more attention. What are their origins? How do they work in practice? Are there variations in the application between cities? What have been the main achievements and limitations of the UDAs?

We take up these questions through comparison of the two most prominent and longstanding rescaling projects, in Winnipeg and Vancouver. With each UDA, we examine the origins and purposes; the collaborative dynamics and projects; and the key outcomes. We frame the analysis with a brief historical discussion of place-based policy in Canada, and with a theoretical review of three main approaches – broadly termed ‘neo-liberalism’, ‘community empowerment’, and ‘organizational failure’ – that have been used to interpret and assess multi-level urban governance. Our case study research points out certain explanatory gaps in each of these theoretical frames, and we propose an alternative drawing on ideas about social learning and metagovernance. Overall, we conclude that the UDAs have been useful mechanisms for urban policy making where problems are deep-seated and interconnected, and where no off-the-shelf solution applies. At the same time, we report that the future prospects of the model are uncertain as recent political shifts, both locally and nationally, have substantially diminished governmental interest.

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UDAs IN CONTEXT (1): PLACE-BASED POLICY IN CANADA

In recent years there has been growing awareness that some of the most urgent public policy issues converge in cities (Gertler, 2001). Geographers studying innovation in the knowledge-based economy now emphasize the importance of localized clusters of economic actors for national economic success. Analysts of social inclusion increasingly focus on the multiple barriers that individuals and families face living in distressed neighbourhoods that limit access to the services and opportunities of the surrounding city-region. Environmentalists document major ecological stresses in urban centres, demonstrating that decisions taken locally about land use, transportation, and development are crucial for global sustainability.

Common to all of these perspectives is appreciation of how local geographic contexts – the form and nature of *places* -- condition and shape challenges and opportunities (Bradford, 2005). Increasingly, public policy, if it is to work, must proceed from the ‘ground up’, tapping local knowledge and joining with local actors in design and delivery of context-sensitive solutions. Equally important, many of these challenges in local spaces exhibit characteristics of what policy analysts term “wicked problems” (Torjman, 2004). Deep-seated and interrelated in their causes, wicked problems “cross departmental boundaries and resist solutions that are readily available through the action of one agency” (Smith, 2004). Instead of traditional, top-down sectoral interventions they require “place-based policies”, constructed through intimate knowledge of local contexts and delivered jointly by all levels of governments. Since the 1990s, several European countries have established multi-level governance systems grounded in community-driven planning organized through municipal networks and enabled by national leadership (Van den Berg et al., 2004). Researchers have catalogued a host of mechanisms and structures for such “inter-scalar” policy making: framework agreements, policy covenants, contractual commitments, and multi-partite development corporations (OECD, 2006). And a new generation of community development research has produced detailed studies of various local governance networks in Latin America and the United States experimenting with public policy “co-production” (Fung and Olin Wright, 2003).

However, Canada has not been at the forefront of these innovations. Indeed, the OECD in a major review of Canadian territorial policy described a “disjointed approach” and lagging federal and provincial engagement with urban and community pressures (OECD, 2002). Close observers of Canadian public policy have found the “weakness of the urban dimension disquieting” (Andrew et al., 2002). For its part, the Federation of Canadian Municipalities (FCM) has long complained about the “culture of non-recognition and neglect” that defined their relationship with upper level governments (FCM, 2001). Community-based organizations have similarly struggled for recognition in policy processes that impact their constituencies (Phillips, 2006).

Yet, as Stoney and Graham have detailed, there have been some periods of considerable experimentation with more ambitious national urban strategies in Canada (Stoney and Graham, 2007). The decade of the 1970s was certainly one such time as the urbanizing pressures of rapid postwar growth pushed the federal government to consider national priorities such as affordable housing, cultural difference, and environmental stress from a cities perspective. Two noteworthy federal departures resulted. First, the Ministry of State for Urban Affairs (MSUA) was created to

bring policy coherence, research understanding, and federal-provincial cooperation to a national urban agenda. Second, the Neighbourhood Improvement Program (NIP) was launched in conjunction with provincial enabling legislation to support municipalities and residents in local planning and implementation of community-based projects (Carter, 1994).

As things turned out, both of these federal innovations were short-lived. Caught in the constitutional and public finance cross-fire of the late 1970s, each was terminated by the decade's end. However, important lessons were available about future directions for a national urban agenda and how the federal government might proceed. The negative lesson was from MUSA: new bureaucratic machinery risked a degree of top-down direction likely to irritate the provinces and remained too far removed from the municipal and community 'front lines'. Here the NIP's offering was more positive: working from the bottom up, and with provincial cooperation, Ottawa could acquire both legitimacy and credibility in local settings.

It is in the context of these different legacies and lessons that the UDA model surfaced in the early 1980s as a new federal policy pathway into urban affairs. The triggering issue was a classic wicked problem – spatially concentrated poverty in inner city neighbourhoods where residents confronted overlapping obstacles in labour and housing markets and in social services. Any solution would have to mobilize on many fronts, and strike a balance between top down and bottom up approaches. Building on the NIP foundation, the UDA framework could bring together the players and focus an “urban lens” for coordinated policy action. For analytical purposes, three specific dimensions of the UDA's urban policy lens can be identified:

- *Targeted regeneration projects*: The most well-known form of place-based policy, this involves special investments in local initiatives or facilities to renew the physical, economic, or social infrastructures of distressed areas.
- *Bending policy mainstreams*: This involves changing or adapting the broader sectoral policy interventions that fundamentally shape the prospects of distressed areas to ensure better fit with the particular needs of residents, and over the longer term to guard against simply displacing problems from one area to another.
- *Scaling up innovations*. This involves acting on the lessons and experiments launched in distressed areas and taking them to scale, for example, through resources to embed them in the community fabric or through transferring the innovations to other urban settings where appropriate.

Specifying these three related policy dynamics in multi-level urban governance allows us to think more systematically about how UDAs might actually integrate action across the various scales from the neighbourhood to the federal government. However, there is no consensus that such multi-level governance rooted in local communities produces either better public policy, or improved outcomes for low income residents. The next section reviews three leading theoretical approaches that debate the merits of place-based public policy and the adoption of an “urban lens”. These different perspectives establish an appropriate discursive frame for our report on the workings of the UDAs in Winnipeg and Vancouver.

UDAs IN CONTEXT (2): THEORETICAL PERSPECTIVES

The first theoretical perspective on multi-level partnerships to address concentrated urban poverty comes from critics of *neo-liberal restructuring* (Brenner and Theodore, 2002). For the regulationists, such inter-scalar collaborations must be viewed in the context of the capitalist global economy and the associated market-competitive regulatory framework that severely limits the policy discretion of national states. Constrained by the neo-liberal nexus of international investment agreements and trans-national financial networks, central governments are increasingly hollowed out as authority and capacity shifts upward, outward, and especially, downward. Local actors – both municipal officials and community organizations – find themselves saddled with massive new policy responsibilities, from social service provision to economic restructuring. Mechanisms like the UDAs announce a belated recognition by central governments that local actors require aid if the overall neo-liberal project is to survive its contradictions. Following two decades of state retrenchment, a series of supports are ‘rolled out’ in specific localities to help actors to patch the gaps in cheaper and more flexible ways than the old ‘universalist’ policy regime. The spatially targeted policy roll out has economic and social dimensions. For the local economy, “urban locational policies” are implemented to strengthen the business infrastructure of global city-regions caught up in the high technology competition (Brenner, 2004). In social terms, local partnerships are mandated for strategic planning in workfare schemes, neighbourhood renewal, cooperative housing and so forth. In either case, local organizations lose their autonomy as community representatives and instead become instruments for delivery of neo-liberal state restructuring.

For the neo-liberal critics, the fundamental concern is that such ‘retooling’ of localities ignores the wider structural dynamics and macro-level choices that are the root cause of the new urban social problems. Calling for a “macrogeographical project of territorial equalization”, Brenner summarizes the neo-liberal critique of place-based social policy:

[N]eighbourhood-based anti-exclusion policies operate primarily to address some of the most destructive effects of urban locational policies within self-enclosed urban districts; they do little to alleviate those effects at supralocal scales, to confront their underlying political-economic causes, to integrate the targeted districts into the broader metropolitan fabric, or to counteract the competitiveness-driven, growth-oriented logic upon which post-Keynesian urban governance is grounded (Brenner, 2004, 274).

The second theoretical perspective is also skeptical about mechanisms like UDAs, but for reasons different from the regulationists. This perspective is about *organizational failure*, focused on the institutional and political obstacles to multi-level joint governance. The critique has evolved mostly through analysis of inter-governmental efforts to forge a common social agenda in the European Union. But the organizational failure argument is meant to apply more generally to situations where governments and civil society actors attempt to reach common understandings of problems and policy priorities. Fritz Scharpf has contributed much to this perspective and he emphasizes the “transaction costs” that accompany decision making where the goal is consensus across multiple stakeholders. These costs in terms of extended timelines, sub-optimal outcomes, and deferred choices arise because of “policy conflicts that are likely to

generate blockages of negotiated policy solutions” (Scharpf, 1999: 77). Scharpf identifies three conflicts across governments that are typically “non-negotiable” and therefore major barriers to consensual decision-making, at least in a timeframe responsive to the urgent policy problems that have motivated the collaboration. The three conflicts are rooted in governmental differences in ideology, economic self-interest, and administrative protocols. Joined-up governance is prone to failure or paralysis since it institutionalizes multiple veto points around these differences. Scharpf’s theoretical critique has found some empirical support in research into collaborative governance in Canada. In their study of federal government “horizontal policy” experiments, Herman Bakvis and Luc Juillet describe a series of barriers including a disconnect between frontline service providers and central agencies, the number of meetings required to find common ground, and the bureaucratic tension between vertical departmental accountability and horizontal cross-departmental projects (Bakvis and Juillet, 2005)

For the organizational failure critics, cumbersome decision-making and unrealistic expectations about consensus result in reduced policy capacity and loss of government transparency. By implication, a return to more top-down and unilateral policy may be preferable. As Scharpf summarizes:

In such constellations of conflicting interests, in which only win-lose solutions are possible, hierarchical or majoritarian decision systems will still be capable of effective policy-making, whereas negotiated systems ... requiring high levels of consensus will then be blocked (Scharpf, 1999: 76).

The final discourse relevant to analysis of multi-level urban governance is more optimistic about progress than the above two critiques. Specifically, this perspective views the state’s invitation to include community-based organizations in new policy structures targeted to distressed neighbourhoods as a strategic opportunity (Sirianni and Friedland, 2001). The *community empowerment* approach emphasizes the possibilities for local participation to secure new investments in social infrastructure that responds to the particular needs and capacities of marginalized residents. Joined-up governance is seen as a welcome departure from centralized bureaucratic practices that ignored the insights of service users and delivered one-size-fits-all programming. When upper level governments propose to empower their own “street level bureaucrats” in enabling community-based regeneration projects, the challenge for activists is to organize effectively for policy participation – defining a strategic agenda and entering deliberative policy bodies to negotiate its advancement. Such engagement requires shifting from an adversarial relationship with government and the private sector to collaboration. As one Canadian activist puts it “there has to be a shift within the community sector and within social movements ... from opposition to proposition and from conservation to innovation in the political discourse” (Neamtan, 2004: 30). Joined-up governance can mobilize and expand the latent assets in even the most distressed parts of the city. Here the community empowerment perspective offers a range of tools and techniques -- community asset mapping, neighbourhood vitality indexes, and collaboration protocols – insisting that local context determines their application. The state shares decision-making power and mobilized citizens gain voice in how broad policy commitments are implemented on the ground while also drawing attention to previously invisible needs. The result over time is socially inclusive urban development.

Ted Jackson has aptly summarized the community empowerment perspective in a commentary on the need to “mainstream” community economic development:

[T]he many hundreds of community leaders and professionals who populate our sector know exactly what they are doing and why they do it ... Their response to the negative impacts of globalization is to create, test and, when they can, replicate positive place or interest-based local solutions ... In our partnerships with governments and corporations, we should take the initiative in designing accountability and performance regimes ... based on our experience with what works and what doesn't on the ground (Jackson, 2006: 4)

Clearly, each of the above theoretical perspectives frames and interprets multi-level governance and place-based policy differently. Canada's UDAs offer a useful case for assessing the relative strengths of the three new localism discourses. The next two sections describe the Winnipeg and Vancouver UDAs, particularly their respective attempts to bring the urban policy lens to their most distressed neighbourhoods. Following these case reports we will revisit the theoretical discussion.

UDAs IN ACTION: WINNIPEG AND VANCOUVER

Winnipeg CAI: “The Axworthy Alliance”

Origins

The CAI emerged through three converging dynamics in Winnipeg in the early 1980s. First, there was a base of knowledge and history of tri-level inter-governmental networking. Second, federal economic and regional development policy was undergoing significant rethinking and reorganization. Third, the federal Liberal government elected in 1980 had only two seats west of Ontario – both in Winnipeg – and was seeking new ways to establish a profile and presence in Western Canada.

To begin with the research, the University of Winnipeg's Institute of Urban Studies (IUS) had produced a number of pathbreaking studies documenting the decline of the inner city. Problems of inadequate housing, education, and employment were much more pronounced in downtown neighbourhoods than elsewhere in the city. The growing influx of Aboriginal peoples added another dimension to the documented challenges. The evidence base was thus in place for a concerted policy effort. Moreover, Winnipeg had served as the venue for two tri-level urban policy conferences in the 1970s. Organized by the federal MUSA, these gatherings of officials from the three levels of government sought better understandings of the shared challenges posed by rapid urbanization. The first meeting tackled broad topics such as design of appropriate policy machinery, the respective roles of the different governments, and frameworks for cooperation. Acknowledging the complexity of both the substantive issues and the policy relationships, the second meeting in Winnipeg featured a Tri-Level Interim Planning Committee

mandated to help resolve ongoing tensions between federal and provincial governments in urban affairs and in their respective relationships with municipalities (Layne, 2000).

Certainly, Winnipeg's decade of research and inter-governmental networking made it an attractive setting for experimentation around problems of urban poverty and neighbourhood decline. In the early 1980s, the federal government moved to leverage these policy assets (Axworthy, 1990). Shifting ideas about regional development policy were a key driver. Each of the existing federal approaches came in for criticism. On the one hand, the centralized grants-in-aid program delivered by the Department of Regional Economic Expansion through the provinces was considered overly bureaucratic and providing insufficient federal profile and credit in the localities receiving funds. On the other hand, more direct forms of assistance for individual firms either to forestall shut downs or lure plants from elsewhere had disappointed on a number of grounds. With a deep recession complicating all development efforts, federal regional strategy was overhauled: a new Ministry of State for Economic and Regional Development was mandated to co-ordinate community-based industrial and labour force development programs. Replacing the top-down and provincially controlled grants-in-aid program were Economic and Regional Development Agreements (ERDAs) which would allow greater flexibility in implementation based on the active presence of federal officials in communities consulting around local priorities to shape the federal-provincial agreements. Thus, the purposes of regional development policy switched from stabilizing entire regions or individual firms to stimulating community networks in urban centres, and the machinery was redesigned to enhance federal local policy presence. This new policy approach came together was in Manitoba with the signing of the first federal-provincial ERDA and urban development agreement for Winnipeg.

The third and perhaps the most significant catalyst for the Winnipeg CAI came through political channels (Bakvis, 1988). Here the role of Lloyd Axworthy, one of only two Liberal Members of Parliament elected in the 1980 election that produced the final majority government of Pierre Trudeau's long tenure as Prime Minister, was pivotal. Axworthy's profile positioned him to be a champion for an inner city development agreement. As an academic at the University of Winnipeg in the 1970s he had been a leader in the urban research conducted by the Institute of Urban Studies. When he turned to federal politics in 1979, his constituency contained some of the more distressed neighbourhoods in the IUS analyses. Most importantly, when the Liberals returned to power in 1980, Axworthy assumed Ministerial roles enabling him to orchestrate a variety of policy processes related to formation and operation of a tri-level urban development agreement (Axworthy, 1990). As Minister for Employment and Immigration Axworthy was responsible for the redesigned community-based economic and labour force development programmes as well as some discretionary funds that were available to combat the recession. Additionally, Axworthy directed the \$4.6 billion Western Diversification Fund, another pot of money dedicated to broadly based western economic development and infrastructure renewal in agriculture and rail. Axworthy was the undisputed political heavyweight in all matters affecting the Liberal Party and federal Cabinet in Western Canada. He chaired the Cabinet Committee on Western Affairs, and was the Regional Minister tasked to create a Western Development Strategy.

To all of these roles, Axworthy brought a notable combination of policy focus and political ambition (Bakvis, 1988). As he recalled, the evisceration of the governing Liberals west of Ontario and the rising discontent with the federal government, particularly intense in Alberta, demanded a “special effort at regional reconciliation and development required to fill the political void and offset the drumbeat of western alienation” (Axworthy, 1990). With political necessity driving policy invention, Axworthy used the tools and resources at his disposal for innovative action in Winnipeg. Convincing Cabinet colleagues that recovery of Manitoba’s struggling economy depended on a turnaround in its largest city, Axworthy worked closely with federal officials on the ground in Winnipeg to ascertain local priorities and began to connect these with programs delivered by his Employment and Immigration Department. As Chair of the Western Cabinet Committee he secured some high technology investments to the Winnipeg federal portfolio. Finally, Axworthy used his authority in Cabinet to make a financial connection between Winnipeg’s urban development needs and federal energy policy. The controversial National Energy Program provided the federal government with increased resource revenues and through the Western Development Fund this money supplied the means for federal leadership on an urban development agreement in Winnipeg. In 1980, a Memorandum of Understanding between the three levels of government was signed outlining plans for an urban development agreement to provide increased employment opportunities [for core area residents], to encourage appropriate industrial, commercial and residential development in the core area and to facilitate the effective social and economic participation of core area residents in development opportunities (Milgrom, 1996). The CAI took shape in a subsequent public meeting in the inner city where Ottawa put \$30 million on table for a comprehensive renewal effort contingent upon matching contributions from the province and municipality.

Collaboration

Axworthy and his colleagues envisioned the CAI as both a *platform* to integrate federal programs in the most rundown part of the city, and a *lever* for new investments from other levels of government and the private sector. Its broad mandate was to reverse the physical, social and economic deterioration of Winnipeg’s inner city through targeted and integrated interventions and investments in a 10 square mile area with a population of about 100,000. An “eight-point plan of attack” included “training, education, housing, support of community organizations, a small business incentive program, a neighbourhood renewal program and provisions for major capital investment in removing railway yards at the historic Forks and rebuilding on the north side of Portage – an area so deteriorated that it cast a pall over the entire downtown” (Axworthy, 1990). The CAI was a 5 year project with funding totally \$96 million and incorporating 13 cost-shared federal-provincial programs and impacting some 1,000 projects (Layne, 2000).

Not surprisingly, almost all close observers of the CAI have viewed it as a federally-driven collaboration (Layne, 2000; Community Inquiry, 1990). In practice, however, the CAI resembled more a genuine inter-governmental partnership than its origins would suggest. The organizational structure and the funding formula were clearly tri-partite. Each government contributed equal funding (a fact surely reflecting the relatively flusher fiscal circumstances of Canadian municipalities at the time) and it followed that each had equal status in decision-making. While an obstacle to fast decisions, the unanimity rule encouraged a collaborative policy culture requiring far greater mutual understanding and appreciation of cross-pressures

than in traditional unilateral settings. Policy development and implementation took place in a nested governance structure, that Axworthy later called a “forum ... without precedent in Canadian federalism” (Axworthy, 1990). At the apex was a policy making committee composed of politicians from the three governments – Minister Axworthy, the provincial Minister of Municipal Affairs, and the Mayor. The Policy Committee met monthly to decide priorities, review program initiatives and approve funding applications. To establish a community presence and public access, the CAI included a storefront Core Area Office for program implementation and outreach to organizations that might assist in service delivery.

In terms of the different partners to the CAI, the reasons for engagement varied. As explained above, the federal government had strong political and policy motivations. At the provincial level, the usual wariness about involving the federal government in municipal affairs was significantly reduced with the election of a New Democratic Party government just as the CAI negotiations began. In fact, its priorities lined up with those articulated by Lloyd Axworthy – attention to poverty and aboriginal issues with a focus on inner city conditions. This policy agenda spoke to key parts of the provincial government’s electoral base. The NDP government had its own plans for a neighbourhood-based community economic development thrust that might well be reinforced and expanded through the CAI (Kostyra, 2005). Moreover, in the 1970s previous provincial governments had made several forays using ‘traditional’ urban renewal strategies with little success. Among officials there was recognition of the need for approaches that mobilized the combined resources – jurisdiction, money, and expertise -- of all governments. Similar thinking about the potential benefits of the CAI informed the municipal position. Indeed, observers were critical of the city’s efforts in attacking urban decline. Its planning had favoured the suburbs and backers of the 1972 Unicity amalgamation called for a city-wide development strategy to balance growth and opportunity. The municipality “did not appear to have a clear long term vision of what they wanted for Winnipeg’s core area or for the city as a whole” (Layne, 2000). According to an IUS analysis of inner city revitalization it was clear “that in the absence of a tri-partite model, the municipal government lacked the vision, fiscal power, jurisdiction and programmatic capability to address inner city problems” (Layne, 2000: 264).

Beyond government, the CAI sought formal policy relationships with business and community organizations. With business, there was substantial involvement (Axworthy, 1990; Layne, 2000). The most notable innovation was formation of an urban development corporation, the North Portage Development Corporation and planning for a second, the Forks Development Corporation (CIP/ACUPP, 2001). They became the investment and partnership vehicles for physical revitalization and business development. Levering over \$300 million, they delivered a brownfield transformation of the Forks rail yards, turning derelict land into a mixed use area including public markets, recreation, housing, tourism and heritage preservation. In addition to the flagship development corporations, the CAI secured other high profile businesses. Tapping into the federal government’s business and research investments, some of these were noteworthy for their advanced technology profile, quite different from the inner city business norm. These included an Air Canada computing facility and a National Research Council Industrial Technology Laboratory. In Axworthy’s view, it was the “direct involvement of a federal Cabinet minister” that enabled the CAI policy committee to add the technology activity to the business stream” (Axworthy, 1990).

However, the story on the community side of the CAI is quite different. Despite the presence of the storefront office, almost all observers and evaluations describe limited involvement and missed opportunities (Community Inquiry, 1990; Johnson, 2004; Milgrom, 1996; Aboriginal Justice, 2001). While acknowledging that the CAI had made a positive contribution to inner city revitalization, the Community Inquiry evaluating the CAI, spoke for many residents and grass roots organizations when it called for “greater community participation in the needs assessment, planning, decision-making and implementation associated with future renewal activities ... the capability to play a more active role exists in inner city communities” (Community Inquiry, 1990). Only through such refocused engagement could the CAI address genuine community or neighbourhood priorities: “a greater emphasis on individual and community empowerment, human services and physical renewal at the neighbourhood level” (Community Inquiry, 1990). From this perspective, the CAI’s interventions and investments in housing, employment, or neighbourhood renewal were too much ‘bricks and mortar’ and too little human scale.

The CAI’s urban development corporations exemplified this problem. With their close interaction between government and business and emphasis on flagship physical revitalization, the vision of renewal overlooked community-based economic development or neighbourhood infrastructure. Important questions arose about balanced renewal through the CAI. Would physical redevelopment and housing projects respect existing neighbourhoods? Would business attraction and high technology clusters include employment for the existing workforce (Milgrom, 1996)? Further, as the Community Inquiry emphasized, there was a need to recognize and involve the “strengthening network of aboriginal service organizations and the aspirations of aboriginal peoples” (Community Inquiry, 1990).

The CAI’s collaborations emphasized inter-governmental and business-government networking over community engagement or partnerships. In a 2003 reflection Lloyd Axworthy acknowledged that while the CAI “spawned the growth of a network of community-based groups in the inner city” it had not taken the “leap forward by extending to these inner city groups the right to share in the decisions that will help shape their lives” (Axworthy, 2003).

Outcomes

In describing the main outcomes of the CAI, it should be noted that as the first urban development agreement in Canada it pioneered significant innovations for collaborative, targeted urban policy in a federal state. A “notable experiment in public policy” it drew considerable attention throughout North America and Europe (Layne, 2000). The governance structure that spawned urban development corporations was suggestive in jurisdictions like the United Kingdom and the United States in the 1980s pursuing enterprise-led urban regeneration zones. Within Canada, the CAI developed a structure and process for federal involvement in municipal and community development that did not inflame provincial resentments. And Lloyd Axworthy’s participation reinvented the role of the Regional Minister, overlaying a substantive policy and convening role on the traditional patronage activity. Importantly, given the breadth and depth of the inner city’s problems, the CAI was renewed in 1986 under the leadership of a Progressive Conservative government for another 5 years and \$100 million tri-level investment plan.

How do these general outcomes relate to the three dimensions of an effective urban policy lens that we identified earlier? Below we consider the CAI's contributions – and legacies -- in terms of targeted regeneration projects, bending the policy mainstream, and scaling up innovations.

Targeted Regeneration Projects

Through the development corporations, the CAI was able to harness investments to change the physical character of the downtown area. The Forks project, an extensive housing program, heritage building renovations, and new research laboratories all were leading expressions of an impressive bricks and mortar transformation. Not surprisingly, evaluations of the CAI converge in their ranking of its achievements in relation to the three overarching goals: good on physical renewal; fair on economic development; and poor on social development or “disparity relief” (Layne, 2002). The CAI's particular strength was in mobilizing financial resources for the property renewal. But the concern was that such commercially driven revitalization was not embedded in a broader municipal development strategy nor connected to federal and provincial social policies. In the absence of such links, the CAI could not ensure employment opportunities for the inner city's marginalized residents in need of a range of social supports and special measures to participate fully in the Forks regeneration or the technology centers. Indeed, statistical evidence revealed that in the 1980s inner city employment, poverty, and education rates declined despite the CAI's investments (Layne, 2000). This outcome reflected both the difficulty of the challenges and the CAI's failure to deepen and broaden its development model through integration with the policy mainstream.

Bending Mainstream Policies

The CAI's physical transformation emerged through project based, often short-term government-business commercial transactions and financial partnerships. Repairing and revitalizing the inner city's social fabric called for another order of change. Unemployment, inadequate housing, low education, racial discrimination were systemic problems requiring concerted and long term policy reorientations from the three governments working with community-based organizations closest to the problems. Such connections were not made through the CAI. Judy Layne writes insightfully about the issues:

As successful as the Initiative was at leveraging funding, one of its obvious failings was the absence of an advocacy component that could transform program experience into innovative legislative reform ... the CAI was not seen to fulfill its potential as a catalyst for legislative and systemic reform. The Initiative did not educe the structural changes required to address systemic poverty, and accordingly, many of the conditions that provided the impetus for undertaking the CAI still prevail in Winnipeg's inner city (Layne, 2000).

This same gap between physical regeneration projects and broader social policy reform was echoed in the Community Inquiry into the CAI:

Many inner city issues – poverty, unemployment, lack of education, poor health, discrimination, race relations – are systemic. They require a broader community response than a revitalization initiative alone can offer. ... These concerns indicate that, at a minimum, there must be better linkages between government line departments and future

revitalization programs. More fundamentally, they suggest a need to re-examine the place of social services within public policy (Community Inquiry, 1990).

Scaling Up Innovations

While the CAI was limited in its capacity to make community-public policy connections and scale-up innovations, its renewal in 1986 set in motion a quite dynamic social learning process through three subsequent Winnipeg UDAs extending into the present day. As Jim Silver put it “one way of looking at the issue is to say that the past 20 years have been a practical experiment in determining what works and what doesn’t in re-vitalizing inner cities” (Silver, 2003). Here, there are three specific themes where ideas or processes incubated through the CAI became incorporated in some measure into subsequent urban policy practice in Winnipeg. These are: a community role in decision making; attention to the aboriginal experience; and influencing provincial and federal social policy. The community’s contribution emerged most prominently through the Urban Futures Group, an inner-city coalition of organizations with strong Aboriginal representation focused on ensuring future urban development agreements included the inner city voice and earmarked funds for Aboriginal initiatives (Silver, 2003). To this end it has sponsored research and formed a 14 person Steering Committee to work with the three levels of government on UDA governance and policy. A similar legacy is the Neechi Food Cooperative, initially funded through the CAI. Created after a retail food chain left the inner city, the aboriginal organization works in partnership with non-Aboriginal networks to promote and develop healthy living in the inner city (Rothney, 1991). And Neechi’s impact extends to the third area of innovation – the link to public policy – as its principles became the basis for the provincial government’s community development and neighbourhood revitalization policies implemented in the early 2000s (Kostyra, 2005; Mackinnon, 2005).

The three strands from the original CAI come together in the most recent Winnipeg UDA, the 5 year Canada-Manitoba-Winnipeg Agreement for Community and Economic Development signed in 2004. Its framework document declares that the “governments also agree that, to be effective, these initiatives need to reflect a community development approach, one that welcomes input from and builds partnerships with community stakeholders” (Framework Document, 2004). Moreover, “[s]pecial measures may be required so that Aboriginal people and other disadvantaged groups can fully participate in and benefit from these economic opportunities”. Notably, the listing of priorities reverses the original CAI agenda. The new agreement’s first two components are “Aboriginal Participation” and “Building Sustainable Neighbourhoods” followed by “Downtown Renewal” and “Supporting Innovation and Technology”.

It has been observed that the CAI was the product of a unique constellation of people and events in the early 1980s in Winnipeg (Layne, 2000). In explaining its origins, we described the particular confluence of political and policy forces. As such, the CAI did not inspire further UDAs in other Canadian cities in the 1980s and the 1990s. Instead, its legacies played out in later Winnipeg agreements. It was not until the early 2000s that a second round of UDAs came on stream in Western Canada, under new conditions and different dynamics. The undisputed leader was Vancouver, the subject of our next section.

Vancouver Agreement: “The Four Pillars Coalition”

Origins

The Vancouver Agreement emerged through three processes. First, there was community mobilization in the city’s most distressed neighbourhood -- and the country’s poorest postal code -- the Downtown Eastside (DTES), home to some 16,000 residents. Second, municipal action supported the community push. Third, the federal government found ways to convene and consolidate the local movements through its regional development agency, Western Economic Diversification.

To begin at the community level, the DTES by the 1990s was a neighbourhood in crisis, most profoundly impacting Aboriginal residents. Problems of unemployment, crime, sexual exploitation, and homelessness were compounded by substance abuse, and rates of HIV/AIDS infection, tuberculosis, and hepatitis C that were among the highest in North America (Mason, 2006). Reacting to years of public policy failure and seeking new frameworks, the community-based Vancouver Coalition for Crime Prevention and Drug Treatment successfully applied for a \$5 million grant from the federal National Crime Prevention Centre for a five year action research project. The Coalition included a broad cross-section of partners from the municipality, the police, school board, business organizations, community agencies, and universities. The coalition mounted a broad and deep analysis of DTES conditions and possibilities, looking at the social roots of crime, the needs of marginalized groups and the risk factors associated with crime and victimization, and strategies for capacity building and integrated policies (Coyne, 2006). Through a series of public meetings and sophisticated community building efforts the Downtown Eastside Community Development Project (DTESCDP) developed and tested a new framework for revitalization in the DTES encompassing the “four pillars” of prevention, treatment, enforcement, and harm reduction (Riano-Alcala, 2004).

These initial efforts were supported and taken further by the City of Vancouver in a variety of ways. In 1997, the city had worked with the Coalition in securing the initial action research grant. In 1998, a staff visit was arranged to Portland Oregon on that city’s innovative “continuum of care” approach that connected drug treatment services to housing, employment, and other developmental supports. The City of Vancouver embraced the four pillars concept and profiled it with the public and provincial and federal policy makers through publication of *A Framework for Action: A Four Pillar Approach to Drug Problems in Vancouver*. It outlined how the different actors –the three levels of government and the community – could come together to tackle the issues across the city, and with special attention to the DTES. In the wake of this publication, the city found over 90% public support for creation of a comprehensive drug strategy that would include the provincial and federal governments taking responsibility and action for elements of the framework within their jurisdictions. A new position of Drug Policy Coordinator was created to begin implementation. At the same time, the City had been working toward Integrated Neighbourhood Service Teams that provided a street level presence for programs in places such as the DTES where multiple, simultaneous interventions were needed (Macleod Institute, 2004). But there was also awareness among municipal officials laying the local foundation that any durable neighbourhood revitalization would require active involvement of both provincial and federal governments (Rogers, 2001).

At this point, the assistance of the federal government was critical. In 1998, both Western Economic Diversification (WED) and Health Canada approached the city about how the local initiatives might be leveraged through inter-governmental partnership for concerted policy action (McLeod Institute, 2004). The federal overture reflected the changing circumstances of the 1990s that shaped Ottawa's role and contributions to regional and local development (Bradford, 2005). First, there was a substantial body of policy research from the OECD and other think tanks about the complexity of social problems in urban centres and the need for upper level governments to involve themselves locally in collaborative projects. Health Canada actively engaged this research through its Population Health framework that emphasized the social determinants of health and the need for a broad continuum of local interventions (Health Canada nd). Second, this knowledge base and its policy message resonated with WED which had seen its budget drastically cut as part of the federal deficit reduction in the mid 1990s, and was reinventing itself away from a direct funding role toward that of catalyst for collaboration and investment partner. Its new mantra was horizontality, using local contexts to convene federal departments and coordinate with other levels of government on shared priorities (Treasury Board of Canada, 2003). Thus, WED focused on coordinating federal departments for horizontal policy making, and Health Canada's Population Health reinforced the theme that public health crises such as those manifest in the DTES required broad framing in relation to their socio-economic causes. While the provincial government was slower in coming on board, it also recognized the links between DTES revitalization, broader health determinants, and social expenditures.

The Vancouver Agreement was signed in March 2000, following a round of community and public consultations on a draft released in July 1999. The VA committed the three governments to work together and with communities "to develop and implement a coordinated strategy to promote and support sustainable economic, social, and community development" (WED, 2000). The first focus was the DTES with three priorities: community health and safety; economic and social development; and community capacity building. Initially an unfunded agreement, the aim was to improve outcomes by better program alignment and strategic use of existing monies. In 2003, the logic of the agreement shifted with an infusion of dedicated project funding, \$10 million from each of the provincial and federal governments. In a departure from the Winnipeg tradition, the municipal government offered in-kind contributions only.

Collaboration

The VA's collaboration was anchored in a governance structure similar to the Winnipeg UDAs. Indeed, officials from Vancouver had visited Winnipeg to learn about such tri-level arrangements. Arguably, the VA structure was more complex than the original CAI (Donovan and Au, nd). A Policy Committee directed it with the two Ministers and the Mayor. Supporting the Policy Committee was a Management Committee of nine senior officials, three from each government that recommended proposals. As in Winnipeg, the decision rule was unanimous consent on both committees. Below these two executive levels, was the VA's operational focal point. The Coordination Unit met regularly with a series of problem-focused task teams such as Harm Reduction, Housing, Women, Food Security, and Aboriginals that worked on street level implementation. Additionally, the Policy Committee was to find ways to ensure community input into the VA through the Management Committee (McLeod Institute, 2004). A remarkable

feature of the VA's governance structure was the sheer breadth of the horizontality to which each order of government aspired. The federal government brought 12 departments to the table, the provincial government 19 Ministries and agencies, and the municipality 13 organizations including the Vancouver School Board and the Vancouver Coastal Health Authority. At the same time, it was estimated that some 300 community organizations were active in the DTES.

In terms of the political dynamics surrounding the VA, Mayor Phillip Owen, central to the early municipal activity, was defeated in 2002. While the agreement lost one of its original champions, his successor Mayor Larry Campbell and his council slate was equally committed to the four pillars philosophy and the VA process. At the senior administrative level, City Manager Judy Rogers was also a strong supporter. At the provincial level, the change in 2001 from the New Democratic Party, where the Minister of Community, Aboriginal and Women's Services had embraced the VA, to the Gordon Campbell Liberal government, with its cost-cutting and business rather community development agenda, was more challenging. However, the province remained at the VA table, and indeed made the first funding move in 2003. At the federal level, the VA was actively supported by the Minister Responsible for WED, Stephen Owen, and by Health Minister Alan Rock in the key early years of the agreement. Vancouver MP and federal Secretary of State for Multiculturalism and the Status of Women, Hedy Fry, lauded the VA's potential: "The Government of Canada sees the Vancouver Agreement as a model for how federal/provincial/municipal governments can operate with communities to find local solutions to urban issues"(Health Canada, 2001).

As an initially unfunded agreement, the VA was about alignment of existing government spending, policies and programs in the DTES. Staff and other organizational resources were released by each government to support VA activities. The premise was that policy value could be added through coordination of effort – greater focus, more seamless supports, and better knowledge. In the words of the Vancouver City Manager, Judy Rogers, the "mandates of the governments differ, but are in effect complementary and are directed at the same people." Leadership in this coordination came from the municipality as it already had in place the Integrated Neighbourhood Service Teams. The federal and provincial governments each had greater internal challenges in bringing horizontal coherence to their own interventions before they could align with one another and the City's comparatively advanced service delivery framework (Bakvis and Juillet, 2004).

In these terms, the VA's unfunded status was viewed by some as an advantage -- at least at the outset -- since it ensured that governmental conflict over funding, or community competition for such funding, would not deflect from the prior need to build capacities for effective spending (Macleod, 2004). Vancouver City Manager Judy Rogers believed that the "value of the inter-governmental relationships cannot be over-emphasized" (Rogers, 2001). The benefits identified by Rogers included mutual learning about internal systems and cultures; bringing down barriers to relationships such as that between the City and the federal government; acknowledgement that issues required tri-level action and specification of where the different governments can contribute; and increased citizen access to programs and services. For others, however, the lack of dedicated funding soon became a hindrance to substantive progress. Existing programs and funds had conditions or rules disconnected from the complexity of needs presenting in the DTES (Bakvis and Juillet, 2004). Rogers acknowledged such limits when looking ahead:

There are a number of challenges still to be overcome. This is an un-funded agreement. The partners are held by existing funding and program constraints. [T]he partners are providing funding for initiatives within their own areas of jurisdiction utilizing existing funds. These funds often come with strict program criteria, and little flexibility. For example, governments have funding for job training, however traditional job training does not fit into the DTES culture. Job training in the DTES needs to address issues such as providing relevant job training to someone involved in substance misuse. While the financial support has been significant, the need for dedicated funding has been identified as critical to the success of the Vancouver Agreement. The need for dedicated staff has also been identified as critical to moving the partners' vision forward. Finally, there are challenges with the community. The expectations of the community have been raised, but often the proposals brought forward do not fit within the criteria set by governmental programs (Rogers, 2001).

In light of such concerns, the provincial and federal governments in April 2003 decided to fund specific projects initiated through the VA with a shared \$20 million allocation. The catalyst was Vancouver's bid for the 2010 Olympic and Paralympic Winter Games. On the one hand, conditions in the DTES represented a potential international embarrassment for a host city. On the other hand, connecting a revitalized DTES to the Olympics could help position Vancouver's bid in a wider frame of social sustainability that addressed widespread concern revealed in city consultations that the event would exacerbate urban inequalities by diverting expenditures.

With the \$20 million secured, the VA partners concluded an Integrated Strategic Plan with four priorities. Each of these priorities reveals some unorthodox policy collaborations (Donovan and Au, nd; Macleod, 2004; Vancouver Agreement, 2007).

The first strategy was to revitalize the Hastings Street corridor through a combination of community economic development and public realm improvements. In partnership with the community organizations, plans were implemented to extend economic opportunity to residents through a social purchasing portal linking business and governments to suppliers either based in, or who employed, inner-city residents to provide goods and services. Both the 2006 World Urban Forum held in Vancouver and especially the 2010 Olympic bid presented vehicles for such a strategy. Here the VA pushed the Olympic committee to make social inclusion a key theme of the games. It commissioned a major study of potential Olympic impacts on the DTES examining issues such as housing, business development, employment and training. The result was the Inner City Inclusiveness Commitment in the successful Olympic bid "to promote social and economic sustainability by fully integrating the Downtown Eastside into this major international event" (Vancouver Agreement, 2007). In addition to the \$20 million from governments, the Inner City Inclusiveness Commitment was extended in 2005 when the Vancouver organizing committee announced a new partnership with Bell Canada to invest \$2 million in the DTES. The money was to flow over four years to priorities identified in the VA Economic Revitalization Plan.

The second strategy was to dismantle the open drug scene in the DTES. The Safe/Supervised Injection Site was opened in 2003 under the VA's auspices. The focus was on harm reduction,

moving intravenous users from the back alleys to a safe facility with access to health professionals for methadone treatment and withdrawal management services for both adults and youth. The VA mobilized the key players and facilitated relationships. Health Canada granted the responsible Vancouver Coastal Health Authority a three-year operating exemption under federal drug legislation and funded project research. The provincial Health Ministry provided funding to renovate the space and operate the Site. City police were redeployed from elsewhere to ensure safety and order in the immediate area. More broadly, a coordinated prevention and enforcement strategy to end the illegal drug business 'infrastructure' drew together policing, licensing, employment standards and taxation, and sentencing resources from the governments (Mason, 2006).

The third strategy was to rehabilitate rundown hotels where single occupancy rooms (SROs) had become last resort housing in the DTES. The goal of the VA's Housing Task Team was adequate housing for residents, easing access to mental health and substance abuse services. Through the VA the City passed a by-law for renovation of SROs taking into account the housing needs of low income residents. A pilot project with federal Canada Mortgage Housing Corporation funding provided management training for hotel staff (delivered with a community agency and community college) in dealing with SRO clientele. The conversion of the Pennsylvania Hotel was a partnership combining federal homelessness and provincial housing funding for purchase and renovation and municipal approvals for zoning community and retail space on the bottom floor. The VA's initiative set the stage for a 2006 announcement that the three governments would undertake a \$2.4-million conversion for a 44-unit housing development for low-income single people at risk of becoming homeless.

The fourth strategy was to make the community safer and healthier for the most vulnerable people in the DTES. Notable here was the collaboration for a Mobile Access Project for Sex Trade Workers. A converted ambulance vehicle made available safe spaces, first aid, peer counseling, and service referral information to sex trade workers, many of whom are vulnerable aboriginal youth. The project was led by the provincial Ministry of Community, Aboriginal and Women's Services. It worked closely with two community organizations and current and former sex trade workers who received training in front-line services. The federal Justice Department provided support in dealing with the sexual exploitation of aboriginal youth. The Vancouver Police contributed its own form of harm reduction -- offering self defense for sex trade workers and enhanced intelligence gathering on sex trade consumers. Another vulnerable residents initiative came through VA support for a multi-service center in the DTES, known as Crabtree Corner, that housed the innovative Sheway program offering support to pregnant women with substance use problems, and single mothers and their children.

Clearly, all four of the VA projects involve noteworthy collaborations not just among the three governments but also between government and the community sector, and in some cases government and the business. One non-profit executive director remarked at a 2004 Awards ceremony recognizing the VA proclaimed that the UDA was "transforming how government traditionally worked with community groups" (Western Economic Diversification, 2004). Certainly, talk of community engagement and resident participation dated back to the VA's origins. "Community capacity-building" was one of the three original themes of the VA. In the words of the Vancouver City Manager:

The importance of community input has been entrenched by the partners into the Vancouver Agreement. The capacity building approach is based on a philosophy adopted by senior governments to provide resources and support to vulnerable and marginalized communities. The goal is to assist members of the community to develop the skills, knowledge and ability to enable them to participate in the planning and decision-making process (Rogers, 2001).

Yet, evaluations and reflections on the VA's workings suggest ongoing ambiguity surrounding the community's role. Community-based organizations were actively engaged through the VA's various Task Teams, but the Policy and Management Committees had not followed through on plans to include community voices in decision-making. A major evaluation of the VA reported that the governance structure did "not reflect an inclusive, integral approach that some community groups may expect" (Macleod Institute, 2004). Outstanding issues included creating a formal policy advisory role for community sector, supporting community capacity-building and low income resident participation, and finding ways to provide more transparent and faster access through the government bureaucracy. Moreover, the DTES "community" was itself very complex, and there were differences among interests such as Chinese merchants, aboriginal leaders, and some resident groups on issues like harm reduction (Donovan and Au, nd). Finding the community voice on the VA's strategic priorities was not straightforward, and longstanding distrust of government's motivations was hard to overcome. The City also made the case that community representation in the DTES was handled properly through the parallel development project funded by the National Crime Prevention Centre and focused explicitly on grass-roots mobilization and capacity building. Indeed, the DTESCDP represented an important learning opportunity for the VA as it engaged the community in its four projects. However, the relationship between that project and the VA was not clear and the many lessons learned about government-community relations and engagement in the DTESCDP were not necessarily transferred to the VA (Rianno-Alcala, 2004). As the VA evaluation study summarized: "[d]efining what community participation means in the context of VA governance remains a piece of unfinished business" (Macleod, 2004).

Outcomes

The VA has been widely recognized for developing innovative approaches to urban governance and policy. In 2004, it received a Partnership Award from the Association of Professional Executives of the Public Service of Canada. In 2005 it was one of eight winners of the United Nations Public Service Award, awarded the top prize for improving "transparency, accountability and responsiveness in the public service" and "innovative partnerships between government agencies, and with community groups and business" (Vancouver Agreement, 2007a). In 2005 it also received the Institute of Public Administration of Canada's highest award for innovative management in a competition themed "Pulling Against Gravity: Horizontal Collaboration". And in November 2005, the Auditor-General of Canada singled out the VA as the most promising federal government example of horizontal policy making (Auditor General, 2005).

Such formal recognition is impressive, but we need to probe further to consider the VA's progress in relation to our three key dimensions of the urban policy lens.

Targeted Regeneration Projects

The VA's initial unfunded status reflects the fact that it was not intended – in contrast to Winnipeg's CAI – to be a vehicle for large-scale redevelopment projects. Even when new money came in 2003 the amount was not sufficient for a physical, economic, or social transformation of the DTES. As such, the VA's main contributions reside in the other categories – integration and realignment of existing policies, and using modest funding across a range of partnerships for demonstrations or pilots that merit scaling-up and institutionalization.

Bending Mainstream Policies

This is the activity most central to the spirit and work of the VA. Through its collaborations, the VA managed to evolve a framework that clarified and better coordinated a 'policy division of labour' in the DTES whereby each government delivered on its particular strength or capacity whether finances, regulation, knowledge, or convening. As Judy Rogers put it: "while the Federal government was dealing with drug issues from the justice perspective, Vancouver from enforcement (policing), and the Province from health (treatment), a coordinated effort on drug efforts would be more effective" (Rogers, 2001). A survey of officials from the three levels of government found that nearly three quarters of respondents had "very often" changed their work based on lessons learned from collaborative efforts" (Macleod Institute, 2004). Such government joining-up – respectful of one another's core business and open to mutual learning -- informed many of the initiatives launched through the 2003 Integrated Strategic Plan. With modest funding, the VA pushed beyond existing program or policy criteria to pursue strategies more tailored to the unique conditions in the DTES. This dynamic was most evident in the exemptions to drug laws that facilitated the Safe Injection Site. It was also expressed in other initiatives: the VA's hotel conversions engaged the City in considering adding the SRO Management Course to licensing regulations; the VA's economic revitalization plans informed the social inclusion theme that became part of Vancouver's Olympic bid; and the MAP saw the Vancouver Police introduce harm reduction strategies in controlling the sex-trade.

However, substantive challenges remain in precisely how mainstream social and economic policies impact the DTES and relate to VA processes. Most obviously, it is apparent that the factors converging to produce a DTES crisis by the late 1990s were driven by that decade's massive provincial and federal social policy cutbacks and restructurings in key fields such as social assistance, affordable housing, and mental health services. Here the VA's micro projects often have been swimming against a hostile macro policy tide. The VA's SRO conversions, for example, are a limited response to the triple threat of gentrification, development, and displacement now bearing down on the DTES in the context of Vancouver's overheated housing and commercial markets. Further, some of the notable VA-sponsored successes – the inclusionary Olympic bid and the Safe Injection site – are in jeopardy since partisan government change in 2005 and 2006, at both the city and federal levels, have pushed social inclusion goals off the priority list. In fact, the political realignments are such that the VA's continued existence is now an open question.

Scaling Up Innovations

Here, the VA's contributions fall into several categories. First, at a broad policy level, its four pillars framework represented a new way to conceptualize links between public health and neighbourhood revitalization. Its projects applied the principles of prevention, treatment, enforcement and harm reduction to community development. The result is a promising policy regeneration framework with application to run-down neighbourhoods beyond the DTES. Second, in terms of specific initiatives, the Safe Injection Site piloted through the VA has drawn worldwide attention and contributed to a reframing of policy debates about substance abuse and social exclusion. Third, the VA became a model for the federal government in its New Deal for Cities and Communities. The Minister, John Godfrey, frequently praised the collaboration and supported its application in other cities and to urban challenges beyond neighbourhood revitalization (Bradford, 2005). In 2005, new UDAs were signed in Regina, Victoria, and negotiations were underway in Toronto. Interest in the VA was also international. Through international policy exchange organized by the Federation of Canadian Municipalities and the Institute of Public Administration of Canada, the VA model was considered for adaptation in Santiago Chile and Bangkok Thailand.

THEORETICAL REFLECTION: SOCIAL LEARNING AND METAGOVERNING?

It is clear that the Winnipeg and Vancouver UDAs present mixed records of success. Issues of poverty and exclusion remain pronounced in both targeted neighbourhoods. Yet, given the depth and breadth of the problems, it would be unrealistic to expect that these time-limited agreements could somehow 'solve the crises'. More plausibly, it can be claimed that each UDA has worked incrementally to turn the tide through small-scale projects that over time can impact larger systems. Creating novel tri-level policy structures, animated by action-oriented community-based task teams, the agreements enabled the three levels of government to approach complex challenges through a shared lens that focused three key lines of activity – targeting project investments, shifting mainstream policies, and taking innovations to scale. A key weakness, evident in both the Winnipeg and Vancouver contexts, was the limited degree of substantive community involvement. While the governments proclaimed their commitment to such public input, the structures and mechanisms for involving community organizations and neighbourhood residents remained underdeveloped. In Winnipeg this tilted the initial agreement in favour of physical revitalization, and in Vancouver it left various grass roots initiatives without full support from those residents most affected and lacking a social base when the political winds shifted unfavourably (Eby, 2007). Here, an important 'inclusion test' for the VA will be the extent to which the commitments to social sustainability made in the Olympic bid actually materialize in jobs and housing for DTES residents.

How, then, do the case experiences relate to the three theoretical perspectives discussed earlier – neo-liberal restructuring, organizational failure, and community empowerment? Our assessment is that each of the perspectives captures partial truths about the UDAs, and in so doing overlook certain important dynamics. Neo-liberal critics are correct in highlighting the structural economic and political forces limiting place-based policy efforts. Such macro-constraints are plainly evident in Winnipeg and Vancouver. Yet, both city's UDAs launched projects connecting local actors with extra-local resources with the result that the boundaries of existing anti-poverty policy were expanded to address new problems in new ways. And participants both inside

government and from civil society have consistently described the UDAs as complements to, not substitutes for, adequately funded macro level policies for income support, health care, employment services and the like. Indeed, much of their added value stems from systematic efforts to make existing federal and provincial policies more appropriate to multi-barriered people and places.

Critics who emphasize organizational failure based on vetos and transaction costs also highlight non-trivial obstacles to productive agreements. But the record shows that each UDA worked around or through the organizational barriers – budgets were pooled and spent, a host of new initiatives were implemented, evaluations were completed, and politicians from all levels of government acknowledged the benefits of multi-level collaboration. Administrators acknowledged a more cumbersome decision process but equally recognized the mutual learning and policy innovations. The UDA model's strength resides in its recognition of complexity, and capacity to leverage diversity – of ideas and interests – for practical, street-level problem solving.

From a community empowerment perspective, the storyline of partial truths is similar: community organizations *did* mobilize through the UDAs and were consulted on their priorities. However, both UDAs had trouble ensuring a meaningful decision-making role for these civil society actors. In Winnipeg, community organizations pushed hard over time and eventually found a greater voice as the process evolved through successive agreements. In Vancouver, community organizations drove the initial collaboration and were quite central to the UDA's initial design. Still, their role remains “a work in progress” (Macleod Institute, 2004). The empowerment perspective understates the barriers to community engagement and impact.

In these terms, we suggest that the UDAs call for an alternative theoretical perspective. Rather than attempting some kind of hybrid integration of elements of each of the three competing models, we propose a more promising framework that interprets multi-level policy and joined-up governance as an *iterative, extended process of social learning*. In his influential studies of social learning, Peter A. Hall has defined the process as “a deliberate attempt to adjust the goals or techniques of policy in response to past experiences and new information” (Hall, 1993). He makes several important additional points, stressing that social learning highlights the role of ideas and knowledge in governing and the importance of deliberation and experimentation in tackling complex problems where established causal theories begin to fail and traditional lines of authority become impediments to creativity. In the case of ideas and knowledge, social learning manages to combine technical expertise from the bureaucracy with the experiential knowledge of residents derived from everyday practices. It is the interplay – or collision – of insights from theory and the field that drive social learning and evolve better problem-solving. Analysts of social learning in the context of community-based policy further observe that the time frame for progress often runs to a decade or beyond (Sirianni and Friedland, 2001; Mendell, nd.) Over time, they argue that different “stakeholders” find sufficient common ground to define problems collectively and identify priorities where each party can contribute to solutions based on its ‘comparative advantage’ whether money, regulation, know-how, networks and so forth. Such shared understandings are not automatic. They only emerge over time through an iterative, extending learning process. And the initial motivation for such collaboration is often rooted in an awareness of crisis that creates a sense of urgency about change for multiple actors. New

institutional spaces thus become sites for innovation. Patsy Healey, in her analysis of “shaping places in fragmented societies”, summarizes:

Collaborative efforts in defining and developing policy agendas and strategic approaches to collective concerns about shared spaces among the members of political communities serve to build up *social, intellectual and political capital* which becomes a new institutional resource. It generates a cultural community of its own, which enables future issues to be discussed more effectively, and provides channels through which all kinds of other issues, such as recognition of the adverse social consequences of new economic tendencies, or knowledge about economic opportunities, or ways to reduce behaviours which are harming biospheric sustainability, may be more rapidly understood and acted upon. In this way, such a collaborative community focused on the governance of local environments should also help to recreate a public realm (emphasis in original) (Healey, 1997: 311).

The social learning literature also makes the point that collaboration does not ‘just happen’. It requires ‘enabling leadership’ that convenes the different players, frame problems, and provides incentives to stay engaged. Here, European scholars have introduced the concept of “metagovernance” to capture the new forms of leadership and intervention that apply to social learning processes (Jessop, 2004; Sorensen, 2006). Metagovernance involves orchestrating purposeful public action in the face of uncertainty and complexity among networks of self-governing actors. According to Bob Jessop, metagovernors “provide the ground rules for governance and the regulatory order in and through which governance partners can pursue their aims (Jessop, 2004:65). In so doing, they “act as the primary organizer of dialogue among policy communities” (Jessop, 2004:65). The state’s new role – and key challenge – is effective meta-governance. Jessop elaborates:

[T]he state is no longer the sovereign authority. It becomes just one participant among others in the pluralistic guidance system and contributes its own distinctive resources to the negotiation process. As the range of networks, partnerships, and other models of economic and political governance expand, official apparatuses remain at best first among equals (Jessop, 2004).

The concepts of social learning and metagovernance have been used almost exclusively in explaining policy processes in the multi-level context of the European Union. However, they can be usefully applied to interpret Canada’s UDAs. We can take our cue from the Winnipeg analyst cited above who observed that the city’s UDA experience represents a twenty year laboratory for learning about what works in inner city regeneration (Silver, 2003). Similarly, the Vancouver City Manager termed the Vancouver Agreement as “government in progress” (Rogers, 2001). In Winnipeg, a social learning dynamic was evident over time, across the four UDAs, as the community agenda became increasingly incorporated into the regeneration discourse and practice. In Vancouver, the community injected new ideas about neighbourhood regeneration based on the “Four Pillars” holistic conception of healthy communities. These ideas were then taken-up by the federal government’s Regional Development Agency as the discursive framework for organizing interventions in the DTES. By 2005, the VA had become the model for policy transfer to new UDAs in Regina and Victoria.

From this perspective, the UDAs became vehicles for each of the key players to learn about complex policy making. In moving from opposition to proposition, community organizations in both Winnipeg and Vancouver were learning about balancing advocacy, representation, and participation. Politicians from the three levels of government were learning how to balance their electoral imperatives for ‘fast deliverables’ with the need to respect the longer term nature of community-based, collaborative policy. Administrators were learning about how to work vertically and horizontally, involving exploration of more flexible relationships between central agencies, line departments, and front-line or street-level bureaucrats (Treasury Board of Canada, 2003; Auditor General of Canada, 2005).

Finally, the UDAs demonstrate the role of the federal government through its Regional Development Agency as a metagovernor of local collaborations. In both Winnipeg and Vancouver, the federal role was crucial in convening the players, framing the key problems, and through various instruments orchestrating joint work in the neighbourhoods. Moreover, the particulars of federal leadership varied across the two cases – quite directive and fiscally expansive in Winnipeg to drive major projects of interest to Ottawa, and more facilitative and collaborative in Vancouver to leverage some existing local initiatives. In these terms, the agreements and the modes of metagovernance expressed the spirit of their times. The Winnipeg CAI was part of the wave of federal policy activism, supported by Keynesian-style expenditures, characterizing the final Trudeau government of the early 1980s. The VA’s political context was markedly different. The late 1990s combined federal fiscal caution with bureaucratic ideas about collaboration and political strategies preferring small-scale investments. Here, the Canadian UDAs speak to the findings of the most recent research on metagovernance that distinguishes different styles of state leadership based on comparisons of “hands on” and “hands off” approaches to local networks (Sorensen, 2006). Further research into such UDA variation could contribute comparative knowledge to the presently European-dominated debates about the state’s evolving role in metagoverning.

CONCLUSION: POLITICS MATTERS

Drawing on ideas about social learning and metagovernance, we have argued that the Winnipeg and Vancouver UDAs represent useful mechanisms for ‘operationalizing’ the urban policy lens in Canada’s federal state. Indeed, over the past few years, the possibilities inherent in the UDA model have drawn a host of advocates recommending some form of replication in other cities. Among the voices: the FCM, the TD Bank, the Harcourt federal advisory panel on cities and communities, the Greater Toronto United Way and the Toronto City Summit Alliance, the Mayors of Vancouver and Toronto, the Canada West Foundation, the Caledon Institute of Social Policy, Canadian Policy Research Networks, and the OECD. As we noted above, the federal Liberal government envisioned the UDA as a central vehicle in implementing the New Deal for Cities and Communities (Bradford, 2007).

Yet, the storyline changed rather abruptly in 2006 with the election of a minority Conservative federal government (Bradford, 2007). To begin, the new government arrived in power with a

limited set of priorities, none of which really addressed the urban agenda. This was not an oversight. The Conservatives outlined an alternative vision of federalism and Ottawa's policy roles and responsibilities quite distant from the joined-up logic of metagoverning local collaborations. Describing the tenets of "open federalism", Prime Minister Harper lamented that "Ottawa has stuck its nose into provincial and local matters" where it lacked both the expertise and jurisdiction (Harper, 2006). The federal-urban playbook was rewritten with new parameters: strict adherence to constitutional allocations; limits on federal spending especially in areas of provincial jurisdiction; provincial responsibility for municipal matters and urban policy; and detailed departmental accountability. Such parameters effectively eliminated space for federal UDA leadership, certainly for CAI-style direct expenditures but also for VA-style experimentation with collaborative strategies. It came as no surprise when the Conservative Health Minister announced the government's desire to end the federal exemptions for the Safe Injection Site pilot, the VA's most renowned expression of the four pillars philosophy (Bula, 2008). Reinforcing this federal shift, the 2005 Vancouver municipal elections brought to power the center-right Non-Partisan Association. Under the banner of "Project Civil Society" this coalition reset the DTES agenda around tackling "public disorder" through street surveillance, and a police crackdown on rough sleepers, panhandling and so forth (Eby, 2007). While the Project included ambitious goals for reducing homelessness, the new council did not invest in affordable housing.

These political shifts underscore the impact of partisan-political factors in sustaining time-limited innovations like UDAs. The lesson is clear -- social learning does not simply take place within the confines of the state, or even through the bureaucratic and civil society interaction that has been central to the UDAs (Bradford, 1998). Politicians also *learn their own lessons* about what they think works and what policy structures conform to their belief systems. In this way, electoral change can always reset the terms and trajectory of policy formation. As we have emphasized, the UDAs require that politicians accept the complexity of policy challenges, embrace 'messy collaborations', and demonstrate the patience for solutions emerging over the long term through inter-scalar relationship building. Here the twenty-five year UDA experience across Winnipeg and Vancouver reveals significant partisan-ideological divergence: center-left governing parties and municipal councils have supported the model where those on the center-right have been either reluctant partners or opposed.

Thus, the current political alignment raises the likelihood that neither UDA will continue beyond its existing 5 year mandate. Put theoretically, it may be that by 2010 when the current agreements run out, the neo-liberal critique will have the most plausible narrative: right wing governments at federal and municipal levels have learned their own lessons about the UDAs, using stories of organizational failure to terminate the experiment, thereby closing off further opportunities for community empowerment. This result would be unfortunate. The UDAs have proven to be a unique policy mechanism in Canadian federalism. The record suggests that they represent a worthwhile governance innovation in the institutional landscape of a highly urbanized society.

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