Change in the Canadian Midwest: An Analysis of Land in Edmonton

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Abstract

In this paper, I analyse the usage and layout of land in Edmonton, its impacts on the city's growth and future, and propose potential solutions to the city's current problems. Zoning is one specific area that will cause the council many political issues in the coming years. In city planning, "zoning" refers to how cities divide land into areas called "zones." These zones typically have different regulations regarding how developers can use land and what buildings they can build. Recently, outdated zoning laws have hindered Edmonton's climate goals and development in urban areas, which I will show in this paper.

Even after zoning reform, the public remains concerned about the influence of big-money developers. However, Edmontonians are also uneasy about a more significant tax burden due to economic uncertainty. I propose regular 20-year zoning bylaw revisions, creating an inventory of unutilised and underutilised public land, and taking steps towards common land ownership. These solutions combine Edmonton's future with current sustainability and development goals in mind. I also propose the creation of a land value tax and will show why it would be the most viable source of revenue for the city. This would reshape land ownership in Edmonton and Canada while boosting potential government resources.

1. How Did We Get Here?

Zoning reform in Edmonton has become a critical issue during an already uncertain time. The current cost of living crisis¹ has built on a persistent bitterness among citizens. Grocery store prices are up nearly 6% year-over-year despite the annual rate of inflation coming down.² It is the right course of action for the council to tackle the zoning issue finally. This is because the current standards have been labelled "archaic"³ and must be revised. However, it is simultaneously concerning that this is the first revision of the bylaw since the 1960s.⁴

a) Long Time, No Change

This large time frame with no solution is part of a larger pattern of delayed responses by the council to complex issues. The cost of living crisis, homelessness⁵, the opioid crisis⁶, and zoning problems affect a greater jurisdiction than the City of Edmonton. However, our council needs to respond consistently and faster. This inaction has allowed these issues to fester within our city unnecessarily. The blame for this inaction does not simply fit with the narrative of a bloated

³Smith, Madeline. "Zoning overhaul will help meet growing demand for housing in Edmonton, developers say." CBC News. Sep. 26, 2023.

¹Armstrong, Peter. "Inflation is cooling. The cost of living crisis is not." CBC News. Oct. 19, 2023.

²Ibid.

⁴Swensrude, Stephanie. "Why Edmontonians Should Care about Big Proposed Changes to Zoning Bylaws - Edmonton." Global News. Nov.24, 2022.

⁵"Number of homeless people in Edmonton expected to grow, city report says" CBC News. Apr. 23, 2022 ⁶Lambert, Taylor. "Despite soaring death rate from opioids, Alberta steers away from harm-reduction approach." CBC News. Feb. 18, 2023.

government procrastinating vital reform. Instead, change has been blocked over decades by various institutional and political obstacles, combined with a lack of political participation at the municipal level.

b) Public Institutions and Policy-Making

Due to their influence over society's general functioning, public institutions facilitate and slow change. All forms of government can enact public policy, including school boards, hospitals, or community organisations.⁷ Government-initiated public policy involves public participation through meetings with community groups or town halls. The degree to which the government hears and acknowledges this participation is debated. Mainstream advocacy groups are often seen as not adequately representing the interests of diverse groups.⁸

Because of this structure, barriers emerge in policy when these institutions do not represent these voices. This lack of representation ultimately causes a decline in public participation in government, which creates a negative feedback loop. Policymakers require voices to change institutions and help people, but these voices require policymakers to listen to them. When nobody with institutional or political power listens to these voices, they are cut off from the political process, and their voices are replaced by those already interested in maintaining the status quo.

Those with entrenched wealth, such as landlords, business executives, and property owners, will logically resist change that could challenge their position. In this way, the people who already have financial or social power come to disproportionately influence the lives of others by influencing institutional power and government policy in their favour. This inevitably perpetuates and exasperates existing inequalities. Unfortunately, this ensures that the deep institutional issues still need to be fixed.

These inherent structural and systemic barriers to change exclude public voices. Changing the structures of these institutions is vital to "dismantling systemic discrimination and racism, and facilitating the civic engagement of traditionally marginalised groups". The two primary means of changing large public institutions are public education and public policy development – this puts further pressure on politicians to make changes at this critical moment. The control of the contro

c) Alienation and Land

Due to this need for institutional change, we must pursue an assertive public policy which accommodates diverse voices and seeks to create the sustainable city of the future we wish to see. If this does not happen, we will see a further increase in the alienation people already feel from their government on all levels. Amidst this alienation, people are not in favour of further continuation of the status quo on housing and zoning reform. ¹¹

The cost of housing is concurrent with the cost of living. The cost of housing is chiefly composed of the cost of land. Of course, homeowners want their homes to maintain or grow in value. Prospective homeowners wish for homes to become cheaper and thus more affordable

⁷Cooper, Merrill. "Pathways to Change: Facilitating the full civic engagement of diversity groups in Canadian Society." Guyn Cooper Research Associates Ltd. Apr. 2007.

⁸Cooper, 2007.

⁹Cooper, 2007.

¹⁰Cooper, 2007.

¹¹Parkin, Andrew. "Forget Ottawa — Albertans growing alienated from their own leaders, too." May 16, 2022.

so that they can buy a house. However, "these things cannot both happen simultaneously in the current market economy," 12 precisely because of the Land Problem – "achieving an equitable distribution of land which will also promote the allocation of land to its most productive use for the development of the community". 13

The current land structure can not solve this problem. Our city's distribution of land and resources is creating ever-increasing wealth for an ever-shrinking group of people. ¹⁴ This is a complex issue for the council to solve. But in our current state, we must pressure our representatives to search for solutions and consider various possible paths forward proactively. In the following section, I show how unequal land ownership leads to a fundamentally unequal and exploitative society. If we strive for greater equality of opportunity in Edmonton, the land problem must be addressed.

d) The Land Problem

The problems of land hoarding and predatory landlords are not unique to Edmonton, but they have become widespread in our city. Edmonton landlords were caught running an illegal "do not rent list," 15 naming more than 440 tenants, including children, independent businesses, and families as "undesirables" and being denied housing en masse. Alberta's tenancy board also recently ruled that Norris Turner of Edmonton was the victim of an "economic eviction" 16 when his rent was hiked from \$870 to \$1500 a month by his landlord to price Turner out of the apartment rather than reflecting a genuine need to increase rent.

While these tactics were unsuccessful in the Norris Turner case, the intention behind them was to create profit for private individuals by exploiting the essential need for shelter and a place to live – which the United Nations designates as a human right. Housing and land are not commodities to be bought and sold by lords, as if we still live in feudalism. It is time that we recognise this in Edmonton.

e) How are Landlords Exploitative?

Modern economists argue that these intentions have distilled into the phenomenon of "rent-seeking behaviour," whereby a landlord or company will use coercive tactics such as market manipulation, intimidation, bribery, or monopoly ownership to charge more rent than they should otherwise be able to, such as in the case of Norris Turner.

In response, landlords claim that merely charging rent for housing is not rent-seeking behaviour because they provide services to their tenants. Specifically, landlords claim to offer:¹⁹

1. Service Maintenance and Security Administration, such as resolving tenant disputes, household repairs, heat, water, and electricity.

¹²Peter Wills. "Land value tax could make housing more affordable". Toronto Star. Sep. 2, 2023.

¹³Morris, Reginald Edward. "The Land Question: The Theory Reexamined." *The American Journal of Economics and Sociology.* Vol. 27, No.2, Apr. 1968.

¹⁴Thompson, Mitchell. "Blame Landlords for Canada's Rising Rents." Canadian Dimension. May 16, 2023.

¹⁵Boothby, Lauren. "Edmonton landlords run 'do not rent' list with hundreds of tenants in private Facebook group." Edmonton Journal, Jun. 21 2022

¹⁶Wong, Julia. "Alberta's tenancy dispute board rules Edmonton man faced 'economic eviction." CBC News. Jun. 06 2023.

¹⁷United Nations. "The Human Right to Adequate Housing." 1948.

¹⁸Tollison, Robert D. "The Economic Theory of Rent Seeking." *Public Choice* 152, no. 1/2 (2012): 73–82.

¹⁹"Landlord Responsibilities in Canada" Property Vista. Apr. 05 2022.

- 2. Paying the Cost of Housing: The landlord pays for construction or purchases by collecting rent.
- 3. Assumption of Risk: potential financial loss from investing in residential property.

However, if renters are paying the landlord, and the landlord is using that money to pay off the mortgage on the building, then the renters are paying for the building by default, and the landlord has risked much less.²⁰ If renters are covering for any potential financial loss from the landlord, then the renters have nothing to financially gain while the landlord has decreasingly less financial risk, rendering the relationship fundamentally unbalanced. Renters should be paying for housing in some way, as housing does use resources and costs money. But the current level of payment that renters are facing is too high, evidenced by the misery that they are facing as they take the brunt of this policy failure.²¹

Outside of housing, renting is not unproductive. Any commodity only used for a short time and then passed on to another person benefits from a lack of being owned by one person. However, it does not necessarily follow that rental housing follows the same logic as non-housing commodities.

Rentals of non-housing commodities, such as skis, generally pay for the next generation of stock while the current stock is used (e.g. rented skis get damaged with more uses, and then the funds from these rentals buy new skis to rent). However, in housing, turnover of entire buildings happens incredibly rarely, if ever, throughout a lifetime. Because of this, landlords' existence as middlemen requires tenants to pay back the investment for the current generation of housing – a clear contrast with non-housing commodities.

The difference is slight, but the critical issue is that the actual lifetime of a house is much longer than the time it will take a landlord to make their money back on their investment. Thus, the value that one person uses up in their time renting the property is much less than what they pay for it – meaning that the landlord does not *replenish* capital, but *accumulates* it, at a continuous rate.²²

The landlord accumulates capital, but the tenants gain no ownership rights whatsoever. Their internationally recognised rights can be revoked instantly if their landlord chooses to evict them, as in the Norris Turner case. Again, this relationship is unbalanced in favour of the landlord, who would have been free to exploit Turner and others if not for the intervention of the state.

Despite this discrepancy, the landlord's maintenance and administration labour deserves to be paid its total value if it is being fulfilled. The real work that the landlord does in terms of heat, electricity, and repairs generally benefits the tenants. However, no matter what the cost of the property is, a tenancy is an exchange of labour and maintenance expenses from the landlord and rent from the tenant. The landlord is not providing housing because the tenant needs to get the option to keep the housing, while simultaneously paying more via rent than a mortgage on a property is worth. That relationship is fundamentally exploitative. Tenants

²⁰Desmond, Matthew and Wilmers, Nathan. "Do the Poor Pay More for Housing? Exploitation, Profit, and Risk in Rental Markets." The University of Chicago Press Journal.

²¹"Alberta has highest percentage of provinces of people who feel miserable about housing, survey suggests" CBC News. Apr. 08 2021

²²Zacarés, Javier Moreno. "Residential Accumulation: A Political Economy Framework." Housing, Theory and Society, 41:1, 4-26, DOI: <u>10.1080/14036096.2023.2292567</u>

consume a small portion of the property's value, but this value is more than replenished by monthly rent. Maintenance increases the property's value, and landlords consistently benefit from rising property values²³ – perhaps landlords should pay renters instead.

This system of landlordism is fundamentally exploitative and inefficient. How can this be achieved? However, moving towards common land ownership is essential to boosting Edmonton's growth and solving our housing crisis. If not now, when?

2. The Current State

The current provincial government is marked by a considerably more conservative approach than the council. This has hindered the city's recent efforts toward a more progressive agenda.²⁴ In combination, citizens suffer under the weight of a systemically unequal housing system and are anxious for change.²⁵ Yet, the rising cost of living makes it increasingly difficult to justify further tax raises to account for more deficit spending. Especially amidst an impending Conservative federal government, which is up over 15% on Justin Trudeau's Liberals in the polls.²⁶ This is increasingly relevant as the city debates a property tax hike, fuelling debates over spending and affordability.

a) Edmonton's Financial Strategy

Edmonton's current financial strategy was initially introduced in 2002. This strategy is based on the reasoning that for Edmonton to eliminate our debt and pay for essential services like public transit or police or road services, we would have to raise taxes, save up over the years, and only pay for essential services when we have enough cash.²⁷ In the modern day, this is completely infeasible. States on all levels maintain manageable debt to provide a welfare state. Unless one plans on dismantling the entire welfare state and depriving many citizens of services they depend on with their lives, it is unrealistic to expect Edmonton to be different. But the debt needs to be manageable. However, unlike other orders of government, the City borrows money only to spend on the services that the city provides.²⁸

Rather than using tax money to pay for government projects, the city primarily raises funds through borrowing money from lenders. Then, it uses taxes to cover the costs of this debt and takes money out of the standard supply to mitigate inflation. Without debt, the City would be unable to advance significant infrastructure projects without accumulating the savings to pay for projects up front.²⁹

b) Deficit Problems?

However, the amount of deficit spending does have some taxpayers worried. Kris Sims, the Alberta director for the Canadian Taxpayers Federation, said it looks as if the council has "a

²³"Alberta Housing Market Report." Wowa.ca

²⁴Bellefontaine, Michelle. "How can the UCP build bridges and win back support in Edmonton?" CBC News, Jun. 2 2023

²⁵Smith, Madeline. "Advocates say downtown Edmonton seeing progress, but needs to address underlying issues". CBC News, Dec. 22 2023.

²⁶Coletto, David. "Conservatives lead by 15; Liberals and NDP tied outside of Quebec." Abacus Data, Nov. 26 2023.

²⁷City of Edmonton. "2023-26 Capital Budget." 30. City of Edmonton, Dec. 2022.

²⁸City of Edmonton. "2023-26 Capital Budget." 29. City of Edmonton, Dec. 2022.

²⁹City of Edmonton. "2023-26 Capital Budget." 29. City of Edmonton, Dec. 2022.

spending problem".³⁰ Amidst these criticisms of high spending, the Council is simultaneously facing criticism for appearing too aligned with developers³¹ in reforming the zoning laws and not doing enough to ensure that Edmonton's potential as a sustainable city of the future is achieved. Facing robust and valid criticism from all sides of the political spectrum begs the city council to address the problems people are facing. The question remains – how can the city satisfy the demands of taxpayers while staying within the budget, and what path is best for the city to realise its potential as a sustainable, prosperous, and action-based city of the future?

3. Opportunities and Possible Solutions

To combat the Land Problem and the institutional obstacles to change in Edmonton, I propose a transformative land reform initiative in which housing is an accessible and universal right. This would be achieved through a 20-year zoning renewal plan, a comprehensive inventory of public land, a progressive Land Value Tax to bolster revenue, and the transition toward common ownership of land inspired by Singapore's successful public housing model. As I will demonstrate, this is essential to ensuring accessibility, opportunity, and affordability for every Edmontonian.

a) 20-Year Renewal

First, I propose implementing a rigid 20-year renewal policy to prevent another 60-year wait between zoning bylaw revisions. Continuous reform is crucial for progress. It is time that the city abandons the failure of neoliberal short-termism.

Neoliberal short-termism is when politicians prioritise short-term policy benefits based on monetary or political rewards. Inevitably, this approach needs to pay more attention to potential long-term hindrances of policies. Otherwise, they do not focus on creating policies that are not politically valuable, such as zoning.³² This has also been referred to as a "money rationale," prioritising individualism and short-term thinking.³³ This approach is increasingly permeating politics in the form of "politics as business."³⁴

Advocates of neo-liberalization almost always refer to the potential for the state to assume a reduced role in society. They argue the dynamism of the market would promote not only economic growth but also social harmony.³⁵ However, over the past 20+ years of neoliberal dominance, and especially considering the past few years of civil unease and the rise of populism, the evidence for these claims is slender at best.³⁶ Governments are in a position where they must regain their trust in the people. To do this regarding zoning and the housing

³⁰Mertz, Emily. "What does affordability crisis, Edmonton tax hike mean for residents?" Global News, Nov. 23

³¹Pasiuk, Emily. "Edmonton city council passes massive zoning overhaul after days of public hearings" CBC News, Oct. 23 2023

³²Anderon, Victor. "Addressing short-termism in government and politics." The Guardian, Mar. 2 2011.

³³Wiegratz, Jörg, and Egle Cesnulyte. 2015. "Money Talks: Moral Economies of Earning a Living in Neoliberal East Africa." *New Political Economy* 21 (1): 1–25. doi:10.1080/13563467.2015.1041479.

³⁴Yagmur Karakaya, Penny Edgell, From Politics as Vocation to Politics as Business: Populist Social Performance and Narrative Fusion in Trump Rallies, *Social Forces*, Volume 101, Issue 2, December 2022, Pages 890–912, https://doi.org/10.1093/sf/soab150

³⁵Graham Harrison. *Neoliberal Africa: The Impact of Global Social Engineering*. London: Zed Books, 2010. https://search-ebscohost-com.ezproxy.macewan.ca/login.aspx?direct=true&db=nlebk&AN=320653&site=eds-live&scope=site.

³⁶Tianna L. Cobb, Jasmine T. Austin & Goyland Williams (2021) Are you listening? Consciousness raising on the failures of neoliberalism, Communication Teacher, 35:3, 191-196, DOI: 10.1080/17404622.2021.1930084

crisis, we must build long-term, sustainable, affordable homes for average and working people to make comfortable lives.

In short, our city's process concerning housing has focused purely on increasing the housing supply at the whims of the private market. After 20 years of pursuing this policy, there's little evidence this enhances affordability for normal people due to high land costs, predatory landlords and the failure of neoliberal short-termism.³⁷ If Edmonton wishes to address its housing problem, it must first address the Land Problem, as land is the foundation upon which houses are built.

b) Public Land Inventory

My solution to the Land Problem is composed of multiple parts. However, it pays for itself hand over fist. Firstly, I propose the creation of an inventory of city-owned assets, including vacant or underutilised land. Affordable housing can be built to offset the high cost of land once surplus land is identified. Atlanta's success in identifying suitable land for affordable housing projects in 2021 is an example that Edmonton could feasibly follow.³⁸

Either the city can sell this land to private developers under intense sustainable development guidelines, or they could build public housing on it. The idea would be to offer dense housing and apartment communities at a reduced price to be competitive in the market while also providing adequate and comfortable shelter.

The city could raise money in line with the current financial strategy. The tax burden for this is unlikely to be high compared to ongoing projects, such as building a new LRT line.³⁹ However, part of this solution would be creating a Land Value Tax (LVT), reshaping Edmonton's land and housing foundation.

c) Land Value Tax

An LVT taxes the "value of the land itself, rather than on the buildings or other improvements on the land". This tax is explicitly created to encourage efficient land usage and discourage land speculation and hoarding. More people can live on the same amount of land by encouraging property owners to increase the supply of housing consistently. This spreads the tax burden so that each individual would pay less money.

Land speculators buy large quantities of relatively cheap land, sit on the plots without developing them, and eventually sell them off when the prices rise to make an easy profit. This is an unproductive and inefficient usage of land that could be used to house people amid a housing crisis. The state must intervene in the speculation economy for the common good, and an LVT is the perfect solution. By solely taxing the land's value rather than any improvements, this tax incentivises landowners to use their land productively, develop the land for the benefit of the community, or sell their excess properties if they do not wish to develop them. This sends land hoarders a message of "develop or sell."

4. Pros and Cons of a Land Value Tax

³⁷Stacy, Christina et al. "Land-Use Reforms and Housing Costs: Does Allowing for Increased Density Lead to Greater Affordability?" Mar. 23 2023

³⁸Atlanta Department of City Planning. "Public Land for Affordable Housing: Land Analysis." 2021.

³⁹City of Edmonton. "Future LRT". City of Edmonton, 2023

⁴⁰Earle, Wilkinson, Marinescu, Yang. "Natural Common Wealth and Economic Rent in Canada". CommonWealth Canada, Jul. 2023.

An LVT has several advantages compared to other taxation systems. Most taxation discourages economic decisions by distorting economic factors. For example, Edmonton's property tax system discourages construction, maintenance, and repair because these improvements cost taxpayers increasing amounts of money year after year. However, an LVT is not calculated based on land use, and the total land supply is fixed, so land rents would not depend on the landlord's expenses.

a) Reducing Speculation and Accumulation of Housing

As the tax would minimise the gains they receive from merely accumulating properties, landlords must continually develop their properties to charge more money or sell their holdings. Occupants of land would directly benefit from improvements to the land and landlords would directly benefit from increased price competitiveness among renters — an LVT reduces the capital captured by private landlords, directly reducing their capacity to accumulate properties. Because of this, becoming a landlord would become increasingly undesirable unless you were focused on developing valuable and dense properties for people to use. It would essentially become an unviable career unless you were helping society. Because of this, an LVT could potentially eliminate for-profit landlords. This would allow the housing market to cool off and allow individuals to gain more access to the market and build lives for themselves.

This would directly affect real estate values. An LVT reduces the rent a landlord receives and thus decreases the overall price of land unless continual improvements are made. Real estate speculation and holding would be virtually eliminated by an LVT because it would no longer be profitable, which could also eliminate the phenomenon of real estate bubbles. These bubbles happen when people are forced to direct their savings towards rented accommodation rather than other investments and frequently lead to recessions, such as the 2008 Great Recession. Such future crises can be avoided by enabling more people to afford their homes and reducing housing speculation.

Canada already has a history with LVTs in this way – they were common in Western Canada at the beginning of the 20th century. In Vancouver, an LVT was the only form of municipal taxation under the mayorship of Louis D. Taylor in 1910.⁴² However, the tax was not implemented correctly – the rate never exceeded 2%, which was far too low a rate to function as a single-tax system. This mismanagement ultimately led to the 1913 real estate crash – all Canadian provinces have since taxed improvements on property.⁴³ However, just because this is something we have all since adopted does not mean it is a better or more efficient policy. As I will demonstrate, an LVT system would be superior to the status quo.

b) Financial Benefits

The possible capital generated from a federal LVT is \$194 billion. This amount is so significant that it could "eliminate the federal personal income tax for all Canadians. Alternatively, this could increase the combined federal and provincial personal amount to \$88,100; resulting in 91.3% of Canadians having no personal income tax obligation. Or, this could generate a universal dividend for all Canadian adults of \$6,136 annually".

⁴¹Weinberg, John. "The Great Recession and Its Aftermath". Federal Reserve History, Nov. 2013.

⁴²"Land Value Taxation in Western Canada: The 'Tax Arrears' and a Reply to Allegations". *Land & Liberty*, Aug. 1922

⁴³Nixon, Garry B. "Canada". American Journal of Economics and Sociology, Nov. 2000.

⁴⁴Earle, et al.

To adjust for Edmonton alone, the total value of all land title transfers in Edmonton in 2023 was \$14.6 billion. This comprised 28,917 individual transfers, meaning the average price per transfer was approximately \$504,893. The average size for a plot of land for a single-family home is around 795 square meters, which means that the average cost of land for a single-family home in Edmonton in 2023 worked out to approximately \$635 per square meter. Edmonton has around 765,000,000 square meters of land, for a total price of \$485,775,000,000 for all the land in Edmonton.

At this price, with a Land Value Tax of 5%, if each of Edmonton's approximately 1,544,000 citizens owned the same amount of land, they would pay roughly \$15,731/year, assuming prices remain stable. This is only an estimate, as right now ownership of land is fundamentally unequal, as I have outlined, so every Edmontonian would not pay the same amount. However, those who pay less would be made up for by those members of the land-owning class, who would pay more Land Value Tax as they own land in more significant amounts.

This intends to incentivize landlords to move towards a more equitable path than they are currently on and provide a path towards a society where land is held in common. This more equitable approach would involve distributing land among people more evenly while ensuring that the land cost does not drop too low or boom too high to avoid unnecessary costs weighing down people or the state.

If everybody in Edmonton paid this amount, we would raise approximately \$24,288,664,000 for the city in the first year alone—over seven times our current Capital Budget. This would easily pay for any projects while simultaneously decreasing the overall tax burden on the individual citizen and ensuring that the economy stays flowing during an uncertain time.

An LVT would also encourage densification and forms of housing which use less energy, combating urban sprawl,⁴⁶ reducing commute distances, and improving the feasibility of active and public transportation. Mechanisms for capturing the land value could even create a self-funding public transit system,⁴⁷ and be part of "optimal energy taxation"⁴⁸ in cities.

In short, an LVT would allow us to increase density while boosting our taxation revenue. However, these enormous benefits must be carefully executed to be realised. Capturing money from land rent and redistribution would require us to reimagine how we treat land entirely, the people who currently own land, and the nature of commodities and communities.

c) Obstacles

Several practical issues must be addressed to implement an LVT effectively and efficiently. Firstly, it must be measured without bias, to ensure accurate land pricing and equitable charging. An independent government-associated commission would most likely be the easiest

⁴⁵Government of Alberta. "Edmonton - Value of Land Title Transfers." Feb. 28, 2023.

⁴⁶Banzhaf, Spencer, and Lavery, Nathan. Can the Land Tax Help Curb Urban Sprawl? Evidence from Growth Patterns in Pennsylvania". Social Science Research Network, Aug. 24 2008.

⁴⁷Junge, Jason R., and David Levinson. "Financing Transportation with Land Value Taxes: Effects on Development Intensity." *Journal of Transport and Land Use* 5, no. 1 (2012): 49–63.

⁴⁸Borck, Rainald, and Brueckner, Jan K. "Optimal Energy Taxation in Cities." *CESifo* Working Paper No. 5711. Jan. 2016.

solution, as they could generate a fair and accurate assessment of what each individual would own in an LVT system.

Secondly, an LVT must be high enough to raise revenue to be financially viable but not too high to make the space undesirable. If the land is abandoned, the state could claim it. But this is not an ideal scenario for the government to get involved in, as it would lead to unnecessary conflict with citizens and exasperate negative perceptions of the state.

Thirdly, an LVT must not simply be passed onto consumers by landlords if it is to be successful in increasing affordability and reducing the influence of landlords. This is relatively tougher to implement, but many other countries have successfully implemented an LVT, so it is not impossible.

d) Case Studies

Despite its effectiveness, an LVT would probably not be able to raise enough revenue to function as a single tax system. However, other taxes more than make up this gap in modern LVT systems. Estonia uses an LVT to fund its municipalities, with 100% of the revenue going to local councils. The rate is set by the councils themselves between 0.1-2.5%. Even public institutions must pay – it is one of the most important sources of revenue for these councils. The most impressive land value capture model is Singapore's, which is also the model we should look towards if we pursue land value capture.

Many economists simplistically view the "Singapore Model" as a combination of deregulation, free trade, and low taxation.⁵⁰ However, they frequently do not consider the centrality of land value capture to Singapore's success. Singapore gained independence from the United Kingdom just 50 years ago. Now, 80% of the population lives in high-quality owner-occupied public housing, served by a comprehensive rapid transit network.⁵¹ The state owns the majority of land, leasing land to citizens in 99-year terms, allowing long-term planning and flexibility without compromising the state's holdings. Much of the sustainable infrastructure critical to Singapore's success is funded directly through a 70% tax on development uplift and through the sale of land to non-state developers as part of the Government Land Sales program.⁵² This program defines parameters related to land use and intensity of development.

Revenues from these sales go into Singapore's prior reserves, which are then managed by a sovereign wealth fund—a state-owned investment arm. A portion of the returns from these investments contribute to government resources. However, competent management is critical to their success—Singapore never spends the sum directly from its reserves. Because of the tremendous amount of power and money, this model gives the state, it must be managed competently and not used as a tool to put the city into further debt.

Above all, the lesson from Singapore is that Edmonton's recent zoning reform is a step in the right direction, but it will not be enough alone. Other cities and governments are engaging in meaningful, helpful, and sustainable solutions to these problems. It is a waste of time and taxpayer money not to learn from better cases and better our situation amidst a series of crises.

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⁴⁹Tiits, Tambet. "Land Taxation Reform in Estonia". Oct. 2006.

⁵⁰Loo, Edwin. "Lessons from Singapore About Land Value Capture". Apr. 2017.

⁵¹Loo, 2017.

⁵²Loo, 2017.

We can not afford any more short-term solutions that fail to address the deep-rooted issues in Edmonton. While land reform would be incredibly effective in this regard, it would not be enough by itself and necessitates a change in mindset to be fully effective, towards a long-term approach which would ensure that citizens feel supported by their government and each other.

5. Conclusion

Edmonton's zoning reform has been plagued by a historic lack of action, caused by institutional and political obstacles to change. Combined with an uncooperative provincial government and amidst many crises, it is necessary to take the proper steps forward in building the stable and climate-friendly city Edmonton has the potential to be.

To achieve these goals, I propose capping the time between zoning revisions, applying a more long-term focus to municipal governance, and inventorying city-owned land to identify places where suitable affordable housing projects could be built. I propose funding these endeavours through a Land Value Tax, which would alleviate the tax burden on the individual while increasing the amount of capital the city receives. The city could reimagine the landscape of land ownership and distribution completely.

Ultimately, this isn't just about zoning laws. It's about creating a more just, livable, and lively Edmonton. The potential of our city lies not just in our policies, but in our ability to dismantle the barriers that we face. Zoning laws may be the beginning, but solving the Land Problem can truly be a moment to turn frustration into action, reclaim the narrative of society, and create a future that reflects the values of all our amazing people. We do not only have to have dreams – we can be architects as well.

The money the city would raise and the incentives that an LVT instils in the citizenry would push the city onto the path towards a society where land would be held in common. This would reduce poverty and social injustice among all citizens and perhaps remedy the polarization and anger that neoliberal short-termism has instilled in our society. This would lead to an equitable future for Edmonton's citizens, allowing them to compete on an equal footing of ownership while majorly boosting the city's revenue. Such a policy could drastically reshape societal equity and communities, and allow more individuals to build their own lives, genuinely empowering Edmonton to become a sustainable and prosperous city. It is true that 20 years of neoliberal short-termism, and the lack of benefits that people have felt, has made people feel like there is little hope. But in dark times, should the stars also go out?⁵³

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⁵³Kurvitz, Robert. *Disco Elysium* for PC/Mac, ZA/UM, Released 15th October, 2019.

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