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# **Plan It Calgary Stakeholder Advisory Committee Presentation**

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**Presented by:**

**Ben Brunnen  
Manager of Policy and Research  
Calgary Chamber of Commerce**



## Introduction

The Calgary Chamber of Commerce represents over 3,200 members of the business community. The Chamber seeks to raise the consciousness and quality of public discourse on key policy issues confronting its members and stakeholders, through informed discussion grounded in fact and reasoned analysis.

In a 2009 survey, Chamber members identified city expansion and growth management, transportation, and fiscal management as top municipal priorities impacting their businesses. Indeed, the affordability, urban form and quality of life offered in the City impacts our ability to attract new businesses and the next wave of young talent.

Chamber members recognize that planning choices made today affect transportation mobility, environmental impacts, housing affordability, and infrastructure cost competitiveness in the future. The Plan It Calgary initiative seeks to achieve a more sustainable form of urban development that offers a high quality of life through increased densification, a more efficient use of infrastructure, a focus on complete communities, increased mobility choice and environmental sustainability.

Chamber members generally support the key tenets of the Plan It Calgary initiative. In a 2008 Leger Marketing survey, members indicated a preference for higher density (76 per cent support), a mixed use of residential, commercial, and retail properties (67 per cent support), and an orientation towards public transit, cycling, and walking (77 per cent support).

Plan It Calgary is a complex initiative guided by eight key directions that serve as strategies to achieve its sustainability principles. While these key directions are generally fundamentally sound, from a business community perspective, to be successful Plan It Calgary must address a number of key challenges.

These challenges, which I will expand upon in my comments today, include:



1. A need to emphasize fiscal sustainability
2. Improved movement of people and goods
3. Certainty in the development process
4. Political leadership of local elected officials
5. Adequate land supply to preserve housing affordability; and
6. Coordination with the Calgary Regional Land Use Plan to prevent fringe development

## **1 A need to emphasize fiscal sustainability**

From a fiscal sustainability perspective, cities that attract businesses and young talent offer competitive tax rates and an unparalleled quality of life. Plan It's focus on higher density development around nodes and corridors, the creation of complete communities, and infrastructure optimization seeks to reduce infrastructure costs.

A recent cost study conducted for Plan It Calgary estimates that Plan It's proposed higher density growth scenario will result in over \$11 billion in infrastructure investment and maintenance savings compared to current growth patterns over the next 60 years. These infrastructure cost reductions translate into lower taxes, which will help position Calgary as an attractive jurisdiction in which to do business.

However, the city has not historically collected and reported information about the lifecycle infrastructure costs associated with growth – which includes both the initial capital investment and long-term operating costs of roads, water-systems and transit facilities. The core indicators identified in the Plan It Municipal Development Plan continue to exclude any meaningful indicators of infrastructure costs and benchmarks.

Fundamentally, what gets measured gets managed, and the collection of meaningful infrastructure cost data associated with various types of development (e.g. infrastructure and maintenance costs per unit – single versus multi-family) improves the City's ability to make informed development decisions and direct resources efficiently.



The Chamber strongly encourages the city to consistently collect and report this infrastructure costing information regularly, in order to quantify the extent to which Plan It actually reduces infrastructure costs over the long-term.

## **2 Improved movement of people and goods**

Another key element of a world-leading city that attracts international business and talent is the free mobility of people and goods. Plan it Calgary seeks to encourage the development of major employment centres outside of the downtown core, and provide increased mobility choice to these centers. Key to the success of this strategy is the provision of transportation networks that mobilize people and goods to and from these employment centres.

While public transit service and ridership levels to the downtown core have proven to be highly successful in Calgary, service and ridership levels to employment and activity centres outside the core require improvement.

Currently, the City primarily collects and reports transit service and ridership statistics on a city-wide basis. However, to encourage and develop accessible employment centres outside the downtown core, the Chamber recommends that the City establish accessible transit service levels to each of these centres, and collect and report ridership and service level information as part of its suite of core indicators on an area-specific basis, as opposed to City-wide.

There also needs to be an emphasis on providing high-quality transit service as communities are being built or intensified, not after the fact. This commitment to transit infrastructure and service levels provides certainty to developers when confronted with densification requirements, and may spur additional intensification.

## **3 Certainty in the development process**

In terms of certainty in the development process, through its key directions Plan It Calgary seeks to achieve a balance of growth between established and greenfield



communities, and to direct land use change within a framework of nodes and corridors at major activity centres – some of those communities identified for intensification include Brentwood, Chinook and Westbrook mall.

Urban intensification can be a particularly complex and controversial process. Engaging local community organizations in the re-development of their communities is an integral component of the planning process. In order to provide certainty to industry and residents, the Chamber recommends that the City develop and publish objective criteria and protocols under which existing communities would be selected as strategic growth corridors for urban densification.

This approach will encourage stakeholder buy-in to the process, provides certainty to industry and creates a basis on which community organizations can engage the City to influence the development process.

#### **4 Political leadership**

Political leadership is also integral to the success of the Plan It Calgary initiative. Land use decisions affect the form and character of communities, creating both positive and negative externalities, and can largely determine the popularity of local elected officials.

Zoning applications that are particularly contentious, or are strongly opposed by community organizations, can take twice as long to be approved, and applicants are encouraged to undertake extensive consultation with the community association and the local alderman prior to submitting an application. Once land use decisions are made, development applications can face further delays in the administrative process if the project is politically contentious.

This process is detrimental to the overall functionality and quality of life of the city, and erodes the business climate by reducing certainty in the application process, delaying project timelines and ultimately reducing housing affordability.



For Plan It Calgary to succeed, local elected officials need to buy into its fundamental objectives, principles and key directions, and apply them on a consistent basis. This means subscribing to published, binding protocols and criteria under which communities are selected as strategic growth corridors for urban densification and/or greenfield development. This approach ensures developers, residents and elected officials all adhere to and apply the same high standards in developing our city.

## **5 Adequate land supply to preserve housing affordability**

From a supply perspective, land supply policies can have a significant impact on the cost of land. Local governments that limit land supply through growth boundaries create scarcity and risk driving up the price of land in the face of high demand. The City currently has a 30 year land supply policy to ensure there is adequate land supply to accommodate a growing population.

It is important that Plan It Calgary continue to build upon Calgary's unique position as a "Unicity" and maintain its 30-year supply of all-purpose developable land within its boundaries, to avoid any further erosion in Calgary's housing affordability. The Chamber is also encouraged by the extended timelines and densification targets set out in Plan It Calgary, which provide significant lead time for the market to adjust to the new densified development standards.

## **6 Coordination with the Calgary Regional Land Use Plan**

Finally, from a regional perspective, it is critical that the City coordinate the Plan It Calgary initiative with the Calgary Regional Partnership's Regional Land Use Plan. If Plan It Calgary comes into force in the absence of a corresponding and complimentary regional plan, there is potential for lower density development to occur just outside Calgary's limits, straining city infrastructure, creating auto dependent sprawl and raising issues of free-ridership - the exact opposite outcome of the Plan It Calgary objective.



## **Conclusion**

As a concluding thought, moving forward on Plan It Calgary, it is critical for our city to remain competitive from a housing affordability and taxation perspective.

Affordability is a key determinant of quality of life, and a significant factor in an individual's decision to relocate. Through growth constraints, Plan It has the potential to limit housing supply and erode affordability, thus reducing our ability to compete for business and international talent.

It is imperative, therefore, that the city continue to monitor our affordability and adjust the Plan It Calgary targets on a go-forward basis, to ensure that we do not lose, and in fact improve, our competitive position internationally.

Thank you for your time today. I would be pleased to respond to any questions that you may have.