



*The Calgary Chamber of Commerce is a volunteer driven, not-for-profit organization whose mission is to lead and serve the Calgary business community, valuing its diversity.*

June 16, 2009

His Worship Mayor David Bronconnier  
City of Calgary  
Historical City Hall  
Calgary, AB T2P 2M5

**Re: Plan It Calgary and the future of our City**

Dear Mayor Bronconnier and Council:

*Dave & Councillors*

The Calgary Chamber of Commerce, on behalf of more than 3,200 members of the business community, has appreciated the opportunity to participate in the development of Plan It Calgary, the long-term plan for Calgary's land-use and transportation networks. Through a formal submission and participation on the *Key Stakeholder Advisory Committee*, the Chamber has highlighted the city's overall competitiveness and housing affordability as key considerations that should be considered in the Plan It Calgary process.

Planning and development in the city play a critical role in developing communities that attract the best and brightest. The two main elements of Plan It Calgary, an updated Municipal Development Plan (MDP) and Calgary Transportation Plan (CTP), present an opportunity to partner with the building and development community to grow our city with world-leading planning and design principles. Plan It Calgary holds great promise to develop world-class communities that attract the next wave of talent.

In October 2007, the Chamber released a *Renaissance Calgary* strategy that acknowledged the need for new ideas and approaches to address pressing concerns of traffic congestion, commuting times, housing affordability, environmental challenges, and the high cost of living.

Plan It Calgary embodies the general spirit of Renaissance Calgary - that the status quo of urban sprawl, car dependence and congestion is no longer an option in a competitive world demanding the most efficient movement of goods and people; high quality public space, amenities and cultural experiences; minimal environmental impact and at the lowest cost.

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

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Plan It Calgary is a complex initiative guided by eight key directions for land use and mobility that serve as strategies to achieve its sustainability principles. While these key directions are fundamentally sound, from a business community perspective, to be successful Plan It Calgary must address several key challenges:

1. Institute lifecycle cost measurement to determine the true cost of growth;
2. Certainty of transit infrastructure and improved service levels outside of the downtown core;
3. Develop criteria to identify and support communities intended for intensification;
4. Consistent application of Plan It Calgary policies by elected officials;
5. Adequate land supply to preserve housing affordability;
6. Coordination with the Calgary Metropolitan Plan to prevent fringe development; and
7. Work with industry to implement Plan It Calgary.

These seven components form the basis of the Chamber's position on Plan It Calgary, and are informed by our participation on the Plan It Calgary Key Stakeholder Advisory Committee, our 2008 research report entitled *Municipal Land Development Policies and Regulations and the Impact on Calgary's Housing Affordability*, consultations with our membership, and our established expertise on municipal finance and development issues.

### **1. Institute lifecycle cost measurement to determine the true cost of growth**

From a fiscal sustainability perspective, cities that attract businesses and young talent offer competitive tax rates and an unparalleled quality of life. Plan It Calgary'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 the 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 estimated 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 family 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 and operating costs over the long-term. This approach effectively quantifies the true costs of development, and assists municipal elected officials and consumers in making informed development decisions.

## **2. Certainty of transit infrastructure and improved service levels outside of the downtown core**

Another key element of a world-leading city that attracts international business and talent is the efficient 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.

The provision of transportation networks that mobilize people and goods to and from these employment centres is critical.

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.

It is also important to offer 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, reducing their financial risk and spurring additional intensification.

## **3. Develop criteria to identify and support communities intended for intensification**

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, and fully engage citizens in the process, the Chamber recommends that the City work with the business community and the Federation of Calgary Communities (FCC) to develop and publish objective criteria and protocols under which existing communities would be selected as strategic growth corridors for urban densification. It is also important that the City work with the business community and the FCC to develop and adopt a proactive and collaborative approach to the planning process – one that ensures community associations have sufficient planning capacity and are positioned to anticipate and embrace urban densification in their communities.

This approach will encourage stakeholder support for the process, provide certainty to industry and create a principled basis on which community organizations can engage the City to influence the development process.

## **4. Consistent application of Plan It Calgary policies by elected officials**

Political leadership is 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. 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 support 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 and principles in developing our city.

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

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 policy of maintaining a 30-year supply of all purpose developable land within its boundaries, including a 15-year supply of planned land and a five year supply of serviced land. This policy ensures there is adequate land supply to accommodate a growing population, and 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 to avoid erosion in Calgary's housing affordability.

#### **6. Coordination with the Calgary Metropolitan Plan to prevent fringe development**

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 growth management 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 objectives.

#### **7. Work with industry to implement Plan It Calgary**

The adoption of Plan It Calgary will have a significant impact on the building and development industries. Landowners in areas identified for intensive growth will automatically see demand and the values for their properties appreciate, whereas owners outside these growth areas will be competitively disadvantaged.

Plan It Calgary's focus on greater intensification will necessitate a significant adjustment on the part of the building and development industries. Consequently, it is imperative that the City continue to work with industry stakeholders to establish workable implementation timelines and intensification targets for Plan It Calgary.

The Chamber supports the motion arising in the Calgary Planning Commission meeting of May 14, 2009, which calls for Council to “direct administration to work with industry and all other stakeholders to formulate a strategy to foster a clear understanding of the plan and its policies, as well as the implementation and interpretation of these policies.” The Chamber welcomes the opportunity to participate in the development of this strategy.

Further, for Plan It Calgary to achieve its desired outcomes, the first major projects undertaken as part of the new framework need to be successful. Consequently, the City needs to partner consistently and comprehensively with industry to share the risks and achieve innovative and high quality designs in the development of Plan It Calgary-consistent projects. A similar approach was adopted by the City in the development of the Mackenzie Towne and Garrison Woods projects, whereby the City committed resources to strategic infrastructure investments at the onset, and empowered staff to work with applicants to move projects through the process stages in a timely and cost-sensitive manner.

Moving forward, the City should review and incorporate the alternative design standards developed for projects that reflect the Plan It objectives, such as Garrison Woods and Mackenzie Towne, into the City’s standard specification books. This approach will streamline the approval process, and enable developers to bring Plan It Calgary-conducive projects online faster and more affordably. The City should also review and adopt appropriate alternative design standards applied in other jurisdictions to increase the variety of pre-approved alternative standards to provide greater diversity and choice for consumers.

#### **Summary**

Building a city is a shared responsibility between elected officials, the wider community and the private sector. In the Calgary Chamber of Commerce’s 2008 report titled *Municipal Land Development Policies and Regulations and the Impact on Calgary’s Housing Affordability*, both City and development industry representatives identified the need for Council to set clear policy direction for growth and development.

We commend City of Calgary staff for their work in the development of Plan It Calgary. Calgary’s business community urges members of City Council to address the concerns noted and subsequently approve the updated Municipal Development Plan and Calgary Transportation Plan, and to continue to work closely with the Calgary Regional Partnership in the development and implementation of the regional plan.

The Chamber’s housing affordability report and *Renaissance Calgary* vision are available at [www.calgarychamber.com](http://www.calgarychamber.com)

Yours truly,

A handwritten signature in black ink that reads "Heather Douglas". The signature is written in a cursive, flowing style.

Heather Douglas  
President & CEO