

Suburban growth charges should be negotiated, says planner

BY JASON MARKUSOFF, CALGARY HERALD APRIL 20, 2011

Presented By:



Several speakers, many from the development sector, are sharing their views on how Calgary should cover the cost of suburban growth.

Photograph by: Grant Black, Calgary Herald

The city's top planner kicked off the debate over a proposed doubling of suburban developers' growth charges by urging council not to tweak the development agreement — just approve it or send it back for renegotiation.

That echoes comments made from planning general manager David Watson's negotiating partners, Calgary's main developer group. They back the deal, which adds about \$8,000 to the cost of future suburban homes but would also push the city to lower some regulatory hurdles to suburb-building.

The warning made one alderman suggest that today's much-hyped public hearing on developer levies was an "exercise in futility.

"That's the impression I get," said Ald. Diane Colley-Urquhart. "You worked hard at it for seven months,

so leave it alone."

She suggested later that she would prefer to shorten the five-year agreement to two years, to get wider consultation on the next round.

Mayor Naheed Nenshi, who has long argued the city's low levies accelerate its sprawl, said council should feel free to modify the complex agreement.

"Of course it is. It's our job," he said. "Otherwise, we'd just be a rubber stamp, now wouldn't we?"

Watson told a council committee that Calgary's charges per residential lot are currently less than almost any other major Canadian city except Victoria. The proposed hikes would vault the city past Edmonton, Red Deer and Toronto to the country's higher echelons, but still behind suburban Ottawa, Surrey, B.C. and Brampton, Ont.

However, it would still not cover the full costs of suburban growth. Watson reasoned that it's not only new suburban dwellers that benefit from the new roads, transit service and recreation facilities in new communities.

The mayor told reporters he's uncomfortable that the city only plans to recover half the costs of water and sewer services for new communities — one area where the costly new plants have saddled Calgary with massive debt and the spectre of skyrocketing utility rates for all homeowners and businesses.

Several speakers, many from the development sector, came Wednesday to share their views on how Calgary should cover the cost of suburban growth.

Annie MacInnis of Kensington's business association urged council to stop making inner-city districts' tax dollars subsidize growth on the fringes, while their own infrastructure crumbles.

"My Kensington sidewalks are patchworks of holes," she said.

The city is, however, also laying the groundwork Wednesday for a new system of levies to recoup cost of growth for redevelopment projects in Kensington and all other existing neighbourhoods, like the downtown core and Beltline currently have.

While the powerful Urban Development Institute, which helped negotiate the deal, backs it, some smaller developer groups that represent office, industrial and retail sectors complained the levies would further harm the city's competitive edge in the region, and were arranged without their inputs.

"We remain at the kiddie table," said William Partridge of the Building Owners and Managers Association, who urged the city to delay passing the deal and consult further.

Ald. Gian-Carlo Carra told another group's president that their complaints shouldn't have come at the end of these months-long deliberations.

"It's amazing that your association wasn't clamouring for a spot at the table nine months ago," he said.

But the mayor said he's not sure why Calgary lets one group help set the rates that all developers pay, when the city doesn't do that for things like the business tax.

The local branch of the Canadian Home Builders Association — which constructs homes on developers' land — backs the deal, president Dave Hooge said. His group and UDI both oppose one element within the deal, the one that demands new developments' levies pay back the majority of the costs for the \$294.8-million airport tunnel.

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