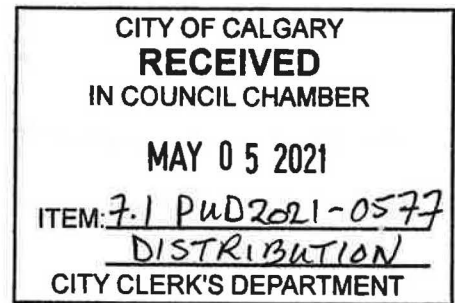


4 May 2021

Planning and Urban Development Committee

Re: The Guide for Local Area Planning, 5 May 2021



After writing letters to this Committee and Council for the last year and a half about the Guide, I feel like we have become pandemic pen pals. I intend to keep writing letters and speaking at public hearings as we work to improve our planning process.

Though I am not enthusiastic about most proposed revisions to the Guide, I think it should go back to Council for approval during this term. Removing the Zone A/Zone B approach is an improvement over the previous version. I'm less certain that the other additions will help Calgary become more productive (in terms of value/hectare) beyond the land use changes that may follow the creation of local area plans. However, the City's financial situation leads me to think that it is wiser to approve the Guide now and improve it over time than delay it in pursuit of perfection or stopping it.

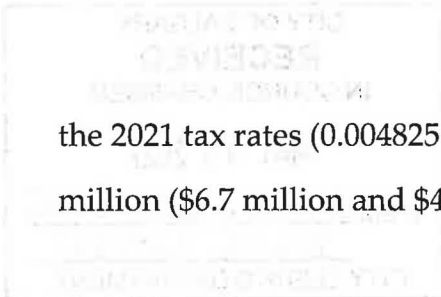
Neighbourhood Stability: More math

There's been a fair amount of discussion about neighbourhood stability, often meant as not allowing duplexes and fourplexes. If we looked at our neighbourhoods' financial stability, our neighbourhoods might look different.

In the past, I've written about Calgary's finances and how our development pattern leaves us with lots of expensive infrastructure for us to maintain.¹ I've done similar estimations for my neighbourhood of Renfrew. In 2021, Renfrew's residential properties are assessed at \$1.4 billion; non-residential properties at \$242.7 million.² Multiplied by

¹ <https://www.strongtowns.org/journal/2021/2/20/how-to-do-themath-for-non-math-majors>

² <https://data.calgary.ca/dataset/2021-Assessed-Property-Values/ejve-em7f/data>



the 2021 tax rates (0.004825 and 0.016513, respectively), that should contribute \$10.7 million (\$6.7 million and \$4 million, respectively) to the City's budget.³

It appears that Renfrew has at least \$135.2 million in infrastructure. At 2021 tax levels, it would take Renfrew 12.6 years to save for one lifecycle of the replacement costs that I've been able to identify. Based on average asset lifespans, at least \$6.3 to \$6.4 million of Renfrew's \$10.7 million annual taxes should go to the neighbourhood's replacement costs (and half of the costs for adjacent parts of Edmonton Trail and 16th Av).

This is based on page 59 of the 2017 Infrastructure Status Report's table of the quantity and replacement costs of some of Roads assets, and my very rough estimating skills (map and ruler because that's faster than learning GIS). Simple division gives us the average replacement costs for curbs and gutters, lanes (alleys), engineered walkways (catwalks), pavement (streets), retaining structures taller than 1m (sound walls), sidewalks, streetlights, timber stairways, and traffic signals. A table is attached at the end of this letter to show the work. If someone wants to do more accurate math, I'd be grateful.

The method isn't perfect. The taxes are in 2021 dollars, and the replacement costs are in 2017 dollars. My estimating skills may not be precise. The average costs from page 59 of the 2017 infrastructure report have a fair amount of lumping. For example, the average cost of pavement includes everything from cul-de-sacs to collectors. I've yet to sort out how to include gas tax and municipal sustainability initiative funds.

³ <https://www.calgary.ca/cfod/finance/property-tax/tax-bill-and-tax-rate-calculation/historical-tax-rates.html>

I'd be pleasantly surprised if Renfrew's remaining \$4.4 million in taxes were enough to cover Renfrew's other costs each year. In theory, our water user fees cover our underground utilities' replacement costs. To know whether Renfrew's taxes cover its other costs, we would need to know the replacement costs of Renfrew's pool, arenas, parks, or fields (which people from outside of Renfrew also use); the replacement costs for infrastructure that residents of Renfrew use in the rest of Calgary; the cost of any services; and contributing to the rest of the city. I've yet to find a way to do that math.

Places that cannot meet their costs and obligations are fragile and at risk to unexpected changes. For example, places that contribute more taxes than they consume would be able to help Renfrew with its costs and services. Historically, that would have been downtown, but that may not be true today. Our development pattern has left us with fragile municipal and neighbourhood finances, which do not produce stable neighbourhoods.

Engagement: Neighborhood Defenders and "Unwanted Housing"

In the last few weeks, I read Katherine Levine Einstein, David M. Glick, and Maxwell Palmer's *Neighborhood Defenders: Participatory Politics and America's Housing Crisis*. They studied how "motivated neighborhood defenders use participatory institutions and land use regulations to stop, stall, and shrink proposals for new housing."⁴ Tools that were created to keep developers and governments from running roughshod over neighbourhoods with large urban renewal and highway projects have been used to delay small projects and prevent housing supply from keeping up with demand.

⁴ Katherine Levine Einstein, David M. Glick, and Maxwell Palmer, *Neighborhood Defenders: Participatory Politics and America's Housing Crisis* (New York: Cambridge University Press, 2020), 25.

In Massachusetts, speakers at public hearings give their addresses. Einstein, Glick, and Palmer compared speakers with voters' lists. They found that speakers at public hearings were more likely to be white by 8 percentage points (86.7% for voters, 95% for speakers), more likely to be over 50 by 22 percentage points (52.6% for voters, 75% for speakers), and more likely to be homeowners by 27 percentage points (45.6% for voters, 73.4% for speakers).⁵ While speakers at public hearings oppose specific projects, most voters supported keeping a state law that promoted affordable housing by letting developers skip local zoning regulations in they meet affordability requirements.⁶ The researchers conclude that "a demographically unrepresentative (and privileged) group disproportionately participates in public meetings on housing development" and "the concentrated costs and diffuse benefits of housing development spur a group of highly affected individuals to both participate and oppose new housing."⁷ Calgary's public hearing in March may be an example of this broader trend.

They found neighbourhood defenders, in high- and low-income areas, use land use regulations; expertise and education in law, design, engineering, architecture, and real estate; litigation (threatened or actual); neighbourhood organizations; and political activism to delay or reduce the supply of housing.

A recent article by Michael Manville and Paavo Monkkonen agrees with these findings. They look at localism, "the belief that a special moral authority accrues to people already in a community (e.g., Dye, 1963), and that 'the needs and desires of established members of the local community should take priority over those of newcomers and

⁵ Ibid., 101.

⁶ Ibid., 106-109.

⁷ Ibid., 114.

outsiders' (Wong (2018,3)).⁸ For example, "the driving, parking, and resource use of existing residents is taken as a given, while the same behavior of future residents is measured, predicted, and counted against proposals to house them."⁹ While localism is common in planning, it appears to be less common in the broader population. Surveys show that most Californians support letting the state preempt local control to increase housing, but opposition tends to be highest among homeowners, higher income households, and white men.¹⁰

Delaying or stopping redevelopment and pushing redevelopment to other places contributes to perimeter growth, with higher infrastructure costs for everyone, and gentrification. As Manville and Monkkonen note, "when everyone fights a project, those with the least power usually lose."¹¹ Similarly, "blocking infill housing is one place does not make demand for housing in that place disappear. It merely reduces and disperses the supply of housing available. It thus not only reduces affordability but makes the marginal resident *more* likely to drive, and drive at levels that rival those of current residents."¹² They also highlight that "the fact that new development can in some cases make prices rise does not mean that blocking development will keep prices reliably low."¹³

Einstein, Glick, and Palmer observe, "in some communities, neighborhood defenders have stopped the conversation by preventing new housing, but in doing so they are pushing the costs of development to other communities. In other places,

⁸ Michael Manville and Paavo Monkkonen, "Unwanted Housing: Localism and Politics of Housing Development," *Journal of Planning Education and Research* (March 2021), 2.

⁹ *Ibid.*, 12.

¹⁰ *Ibid.*, 11.

¹¹ *Ibid.*, 3.

¹² *Ibid.*, 5.

¹³ *Ibid.*, 14.

underprivileged voices are not heard in these conversations. In these localities, new housing is being built, but it does not serve the needs of many in the community who need help.”¹⁴

The Guide for Local Area Planning, especially if it has a broad upzoning (or gentle deregulation) everywhere, can be a way to respond to this situation. Manville and Monkkonen propose that “places confronting gentrification need more than just development restrictions. Often they need affluent places to allow more development.”¹⁵ Einstein, Glick, and Palmer’s analysis suggests that “the balance of power is tilted in favor of entrenched, advantaged interests. It may therefore make sense to at least consider city-level political processes as potentially more representative of broader community interests” like Minneapolis’ broad upzoning that allows up to triplexes everywhere.¹⁶

The Guide for Local Area Planning and a new Land Use Bylaw are a chance to revise our city-wide planning processes to benefit many current and future Calgarians. We can begin to correct our structural financial problems that we have built for decades into our development pattern, which force us to choose between raising taxes and letting infrastructure decay. We can use these tools to have more stable finances at city-wide and neighbourhood-levels.

Thank you,
Nathan Hawryluk

¹⁴ Einstein, Glick, and Palmer, 171-172.

¹⁵ Manville and Paavo Monkkonen, 12.

¹⁶ Einstein, Glick, and Palmer, 167.

	Quantity	Replacement Cost (\$M)	Cost per unit	Unit
Curbs and Gutters	6600	2514.1	\$380,924.24	Linear km
Lanes	3067.1	897	\$292,458.67	Lane km
Engineered walkways	96.4	17.6	\$182,572.61	Linear km
Pavement	16254.6	9935.3	\$611,230.05	Lane km
Retaining Structures (x>1m)	35.8	132.3	\$3,695,530.73	Linear km
Sidewalks	5680.6	2627.7	\$462,574.38	Linear km
Street lights	83792	1532.1	\$18,284.56	Streetlight stand
Timber stairways	68	3	\$44,117.65	Each
Traffic signals	1029	208.3	\$202,429.54	Signalized intersection
Total costs				

	Amount in Renfrew	Only one	Both sides of the street	Four lanes	Ed Tr and 16 Av	Ed Tr and 16 Av Values
Curbs and Gutters	25.8km		\$19,655,691		8.059km	\$3,069,868
Lanes	14.625km		\$8,554,416			
Engineered walkways	0.225km	\$41,079				
Pavement	25.8km			\$63,078,941	8.059km	\$4,925,903
Retaining Structures (x>1m)	0.3km	\$1,108,659				
Sidewalks	25.8km		\$23,868,838		2.043km	\$945,039
Street lights	488	\$8,922,866			7	\$127,992
Timber stairways	2	\$88,235				
Traffic signals	8 (on main streets, divided by 2)	\$809,718				
Total costs		\$10,970,557.67	\$52,078,944.93	\$63,078,941.35		\$9,068,802.84

	Renfrew's total	Lifespan (years)	Annual Cost (low)	Annual Cost (high)
Curbs and Gutters	\$22,725,559	50	\$454,511.19	\$454,511.19
Lanes	\$8,554,416	15	\$570,294.41	\$570,294.41
Engineered walkways	\$41,079	15	\$2,738.59	\$2,738.59
Pavement	\$68,004,844	15	\$4,533,656.29	\$4,533,656.29
Retaining Structures (x>1m)	\$1,108,659	10-50	\$22,173.18	\$110,865.92
Sidewalks	\$24,813,877	50	\$496,277.54	\$496,277.54
Street lights	\$9,050,858	50	\$181,017.16	\$181,017.16
Timber stairways	\$88,235	15-20	\$4,411.76	\$5,882.35
Traffic signals	\$809,718	50	\$16,194.36	\$16,194.36
Total costs	\$135,197,246.79		\$6,281,274.50	\$6,371,437.83