

Petition to Deny Land Use Redesignation

Altadore Bylaw 263D2018

File # LOC2018-0128

Address: 4929 - 20 Street SW (Plan 2230AK, Lots 23 & 24)

Prepared by Kevin Reece
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Good morning Mayor Nenshi, Council Members

I've come here today to ask you to deny this application and maintain the zoning for this lot that was in place when those of us that live around it purchased our houses. If you deny this application, it may affect the amount of profit the developer can make on this one project. But if you approve this application, it will definitely affect the property values around it.

When this lot was purchased it was zoned to allow duplexes and detached infills. The developer can still build a duplex that will not negatively impact the property's nearby. We can't magically move our houses away from a 4 unit 3 story rowhouse.

My family moved to Altadore in 2014 so that my daughters could attend Central Memorial High School with its excellent dance program. The houses were more expensive than we could afford, but we only planned to live there while my daughters finished high school, then sell and move to a more affordable area in Calgary. That was the plan. The next year my wife lost her job, like many Calgarians, and only recently went back at about half the salary. When she lost her job we put everything we could on the mortgage to lower payments. Even her severance went right into the house. We have paid our mortgage, utilities and property taxes through some very difficult times. The equity we have worked so hard to build is a very important part of our retirement plan and we can't afford to lose any more of it. We have played by the rules and can't afford to have the rules changed to benefit a developer at our expense.

Property values are dropping, especially in areas like Altadore, and allowing the construction of this rowhouse will be a devastating kick when we are already down. We tried to sell this summer and get out before all this happened but couldn't. Not even listed at much less than we paid, and according to realtor feedback, at least some of the people that viewed our house mentioned the proposed rowhouse on the corner.

I don't blame perspective buyers for not wanting to buy our house. If I had known this was a possibility, I wouldn't have bought it. And I'm not suggesting that it would definitely have sold if not for the proposed rowhouse sign on the corner, but it certainly didn't help.

Right now houses in the price range that is common in Altadore are not selling so developers want to build something in a price range that will sell. Unfortunately that will further drive down the values of the properties around it. Calgary is already overbuilt and I have included a Calgary Herald article that details the problem.

Building less expensive row houses in desirable areas may be a short term solution for developers, and they may sell, but there will still be thousands of apartments, condos and houses that are currently sitting empty. And undercutting prices in Altadore now will create a long term problem that will affect our property values forever.

The developer would like us to believe that this is going to make our neighbourhood better. They're trying to find some way to sell it but I really don't follow the logic that cramming 4 houses onto one lot will make our neighbourhood more walkable and vibrant. I don't think overcrowding can possibly make a neighbourhood better and it will definitely exacerbate an already unbearable parking problem.

I don't have time to address all the concerns I have with this application but I did outline some in the letter I submitted a couple weeks ago. I hope you will also consider those. The impact on property values is the most important so I am concentrating on that today, but I will briefly mention the parking issue. I have never lived anywhere in Calgary before where I wasn't at least friendly with my neighbours. But the constant parking problem that already exists around my house makes that impossible. Putting four houses on one lot is certainly not going to improve that situation. Not to mention where 12 extra bins will go.

As far as providing more affordable housing. I'm sorry that not everyone can afford to live in Altadore but there are areas that are out of reach for most of us all around the city. That helps to keep things moving. Kind of a natural progression. You start in an apartment, then move to a condo. When you have kids you buy a starter house, and when they want to go to Central Memorial for the dance program you move to Altadore. Dragging our prices down will benefit a few but it will hurt many.

The rezoning that took place years ago to allow infills increased the property values and desirability in all of Altadore. Rezoning now to allow the construction of a rowhouse on every corner will have the exact opposite affect.

Developers don't deserve priority over homeowners at our expense. For my family and everyone else that has invested a large part of their life savings into their house, I am begging you to deny this application. It may not seem like a big deal to you. And it probably isn't a life changing decision for the developer. But it is a very big deal for those of us who live nearby and are already struggling with falling property values.

Respectfully,



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Overbuilding drags down Calgary house prices: CMHC report

Calgary house prices are sliding and a new report from the Canada Mortgage and Housing Corporation indicates that trend could continue.

AMANDA STEPHENSON, CALGARY HERALD Updated: October 25, 2018

Calgary house prices are sliding and a new report from the Canada Mortgage and Housing Corp. indicates that trend could continue.

In its quarterly Housing Market Assessment, released Thursday, the CMHC said Calgary's housing market indicates a "moderate" degree of vulnerability as a result of overbuilding. Calgary is still a buyer's market, with the inventory of unsold new homes outpacing demand.

As of September 2018, the city had 2,087 completed but unsold housing units — half of those were apartments and condos. Per capita, the level of unsold units spiked in 2016 and remains elevated, in spite of evidence that the Alberta economy is in recovery mode.

"It is taking time," said CMHC regional economist Lai Sing Louis. "Although there has been economic growth in 2017, and we're seeing lots of indicators that that growth continues, we're still not back to pre-recession levels."

In addition, a large number of apartment and condominium starts continue to come onto the market. CMHC data shows 7,630 new apartment/condo units were under construction in September, posing a risk that inventories will rise if the units cannot be absorbed.

The elevated supply combined with Calgary's stubbornly high unemployment rate as well as rising interest rates and stricter mortgage rules has had an effect on sales. According to the Calgary Real Estate Board, sales activity in the city totalled 1,272 units in September, a 13-per-cent decline over the previous year and well below long-term averages. The unadjusted citywide benchmark price was \$428,700 in September, nearly one per cent below last month and three per cent below last year's levels.

The apartment sector has seen a six-per-cent decline in sales so far this year and sales activity remains more than 20 per cent below long-term averages.

"We started to see some stability last year and now we're seeing that trend reverse again this year," said Ann-Marie Lurie, CREB's chief economist. "I think (some buyers) went, 'the recession's over, the worst of what has happened is over.' . . . And then as we moved into the midpoint of the year, reality started settling in and people went, 'the economy hasn't really changed that much.' "

Lurie said it's not all bad news — the most recent city census showed higher-than-expected levels of net migration into Calgary last year. But she said for the price decline to level off, there will need to be more positive economic news — such as a decline in the unemployment rate.

"Ultimately, we just don't think it's going to happen this year," she said.

CMHC is expected to release its 2018 rental market report in early November. The 2017 version of that report pegged Calgary's rental apartment vacancy rate at 6.3 per cent.

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