Calgary as a development regime

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Calgary has the highest number of small businesses per capita as of 2008, and the second most dominant industry that makes up the small businesses is construction ("Calgary Economic Development"). This is also coupled with the fact that Calgary experienced one of the fastest growth rates in all of Canada during the boom in the mid-2000s, which fuelled the housing market at an astronomical pace. These conditions, along with the years of urban sprawl development, have developed Calgary into an entrenched development regime. The local government has partnered with private interests to focus mainly on land use and large development projects. This is evidenced by the increasing number of capital projects, expansive suburban growth, and the influence exerted on incumbents.

The first step for a private investor to commit their resources to a city as Stone describes, is that they have to “believe that positive change is feasible” (2008). The best indicators for this are growth rates and profit. Out of the 209 communities in Calgary, 49 communities were created as the city limits were increased ("Federation of Calgary Communities"). That means since 1990, there has been a 30% increase in the number of communities built in Calgary. Trends also show that it is exceptionally profitable for both the city and private investors to work together on developing these new suburban communities. From 1997 to 2007, a single family home in Calgary went up from $134,443 to $487,500, or a 262.6% increase ("Affordable Housing Calgary"). In the same period, a single family home in Toronto went up from $196,016 ("Toronto Real Estate Board", 1996) to $376,236 ("Toronto Real Estate Board", 2007), or a 91.9% increase. Calgary shows much more profitable arena for private developers even in comparison to large metropolitan areas like Toronto. This gives rise to more engagement from the part of the investors.

After being assured of the benefits, private investors must also “see a series of public actions as necessary steps to assure that feasibility” (Stone, 2008). Financing the campaigns of incumbents is the most evident step to achieve this feasibility. Alderman Linda Fox-Mellway’s campaign contributions were primarily from the business community. Although she was acclaimed, out of the 141 contributors that she disclosed, 125 of the contributors came from the business community. This was made up primarily of development firms, engineering firms, and contractors (Fox-Mellway, 2008). The remaining 16 donors were from individuals. With an expected high rate of incumbency, 86% in 2004 and 71% in 2007, and, the business community has been able to take advantage of the lack of election financing rules in Calgary and influence electoral decisions quite easily with the overall donations.

While market forces can help in development projects, a development regime must always look for other sources of substantial public money. Much like New Haven, many of the new capital development projects in Calgary could not have proceeded without provincial funding. Under Mayor Dave Bronconnier, Calgary was able to secure a similar source of provincial funding to help aid in its growth and continued development. In April 2007, Mayor Dave Bronconnier fought with the newly elected Premier Ed Stelmach to secure more funding, saying that “the Stelmach government didn't deliver on its promise to unconditionally give municipalities $1.4-billion a year” (“CBC News”, Apr 2007). By September 2007, the Alberta government gave way to Bronconnier and announced a 10-year $3.3 billion transfer to Calgary’s capital budget ("CBC News", Sep 2007). In November 2007, city council passed new development projects like $210 million in regional recreation centres and $40 to facility upgrades and retrofitting (Guttormson, and Derworiz, 2007).

Legacy projects are another type of incentive for elected officials to engage in development. Stone suggests that “mayors have consistently associated their administrations closely with development activity...[as] it meets a need for quick and visible action” (2008). One of the most enduring legacy projects that Mayor Dave Bronconnier will be able to claim is the West light rail transit (LRT) extension. Mayor Dave Bronconnier championed the idea of the West LRT expansion during his tenure as alderman in ward 6, which is where the West LRT will be developed. Stone has contended that such major development projects could cause backlash for public officials because of their disruption, but “are advanced easiest when the public is passive” (2008). The West LRT project was secured during 2007 when Calgary economic standing was still at an all time high, and following low voter turnouts of 19% in 2004 and 30% in 2007. As it stands now, the project will carry a price tag of $1.2 billion (Seskus, and Derworiz, 2010) and will be designed and built by SNC Lavalin, one of the largest engineering and construction firms in the world ("West LRT", 2008).

Alderman Ric McIver, who is rumored and predicted by many political analysts to run for mayor, also has a platform built upon certain legacy projects. One of his main platforms is to build the south east LRT and his reasoning is that, “if we’re going to spend almost another billion dollars on transit, we owe you, the citizens, more capacity rather than just visual benefits and marginal operational improvements” (McIver, 2010). This is the complete opposite of what a middle class progressive regime would focus on.

Perhaps the single issue that demonstrated development regimes and the relationship between city council and private investors was the debate over Plan It, “an integrated Municipal Development Plan (MDP) and Calgary Transportation Plan (CTP)” that would “describe the vision for a long-term pattern of growth and development in Calgary over the next 60 years and provide policies that will start to create that form of city over the next 30 years" ("City of Calgary", 2010). While many in the community supported the document because it would be an attempt to moderate the outward growth of Calgary's new communities, they were shocked to find that certain amendments were developed the weekend before between city council and developers in a closed door meeting. The meeting amended the "density threshold from 70 residents per gross developable hectare to 60 residents and jobs per hectare in new communities" (Zhao, 2009). Naheed Nenshi of the Better Calgary Campaign "noted that the closed door deal was unacceptable" (Zhao, 2009). AM CHQR 770 said that "city council approved the change to Plan It on Monday to appease developers who complained the plan limited people's ability to chose to live in a spacious suburban neighbourhood" ("AM 770 CHQR"). This demonstrates that while there may be differences between the city's and the developers' interests, "…because they had to work together, there existed a grudging respect for each other's professionalism" (Foran 221).

It is evident that based on Calgary's land development over the past two decades that the development regime explains many of the city's actions. Given the entrepreneurial culture of Calgary and the post-World War 2 trend of how urban sprawl has grown, land use has always been a priority and continues to be one of council's major concerns as demonstrated by Plan It. Development will continue given the number of new capital projects already initiated by city council during boom period, and new ones will inevitably evolve over the next decade in response to growth.

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Appendix: Communities that started construction after 1990.

Arbour Lake – 1990
Aspen Woods – 2001
Auburn Bay – New
Bridlewood - 1998
Somerset – 1995
Chaparral – 1995
Christie Park – 1990
Citadel – 1993
Copperfield – Registered 2005
Coral Springs – 1991
Cougar Ridge - 2001
Country Hills - 1990
Coventry Hills – 1991
Cranston – Registered 2005
Creekside – 2007
Crestmont – New
Discovery Ridge – Registered 2003
Elgin – Registered 2005
Evanston – 2007
Evergreen – Registered 2005
Evergreen Estates – 1990
Garrison Woods-1998
Hamptons – 1990
Hanson Ranch – 1990
Harvest Hills - 1990
Hidden Valley – 1990
Inverness – Registered 2005
Kincora – 2002
Legacy – New
Mahogany – New
Marquis de Lorne – Registered 2005
McKenzie Town – Registered 2005
New Brighton – New
Nolan Hills – New
Panorama Hills – 1997
Prestwick – Registered 2005
Rocky Ridge – 1998
Royal Oak – 1998
Sage Hills – New
Seton – New
Sherwood – New
Silverado – New
Skyview Ranch – New
Springbank Hill – 1999
Strathcona Park - 1980
Symons Valley – Unorganized but new
Valley Ridge – 1992
Walden – New
West Springs – 2001