

# THE CITIES THAT LOVE US

Canadian Contractor scans the country for the top five reno-friendly cities, and finds them.  
**By Brynna Leslie**

**W**hat makes a city renovator-friendly? "An abundance of tired houses and people with deep pockets," offers Alberta contractor Blair Foisy. He's only half-joking. Foisy is the owner of Trademark Renovations Ltd., a Calgary-based firm established in 1981 which focuses on large-scale home renovations projects of \$100,000-plus. He's also on the local Canadian Homebuilder's Association (CHBA) Renovator's Council.

His comments may sound oversimplified, but as *Canadian Contractor* set out to find the country's most renovator-friendly cities, we found a deficit of national benchmarking data. No one seemed to care if a city was renovator-friendly or not.

## Light amid the gloom

Now, with the introduction of the federal government's new budget where the home improvement industry is being asked to be the catalyst for our economic recovery, it's a great question.

Even before the budget, renovation contractors had good reason to be optimistic. The perpetual decline in new housing has shifted focus to urban redevelopment, heritage preservation and improved efficiencies from the most forward-thinking city governments and building associations.

"The more cities have grown and spread out, the more demand there is for renovations," argues Foisy. "And more people are looking for an older home to call their own. People are opting for mature areas, larger lots and less of a commute."

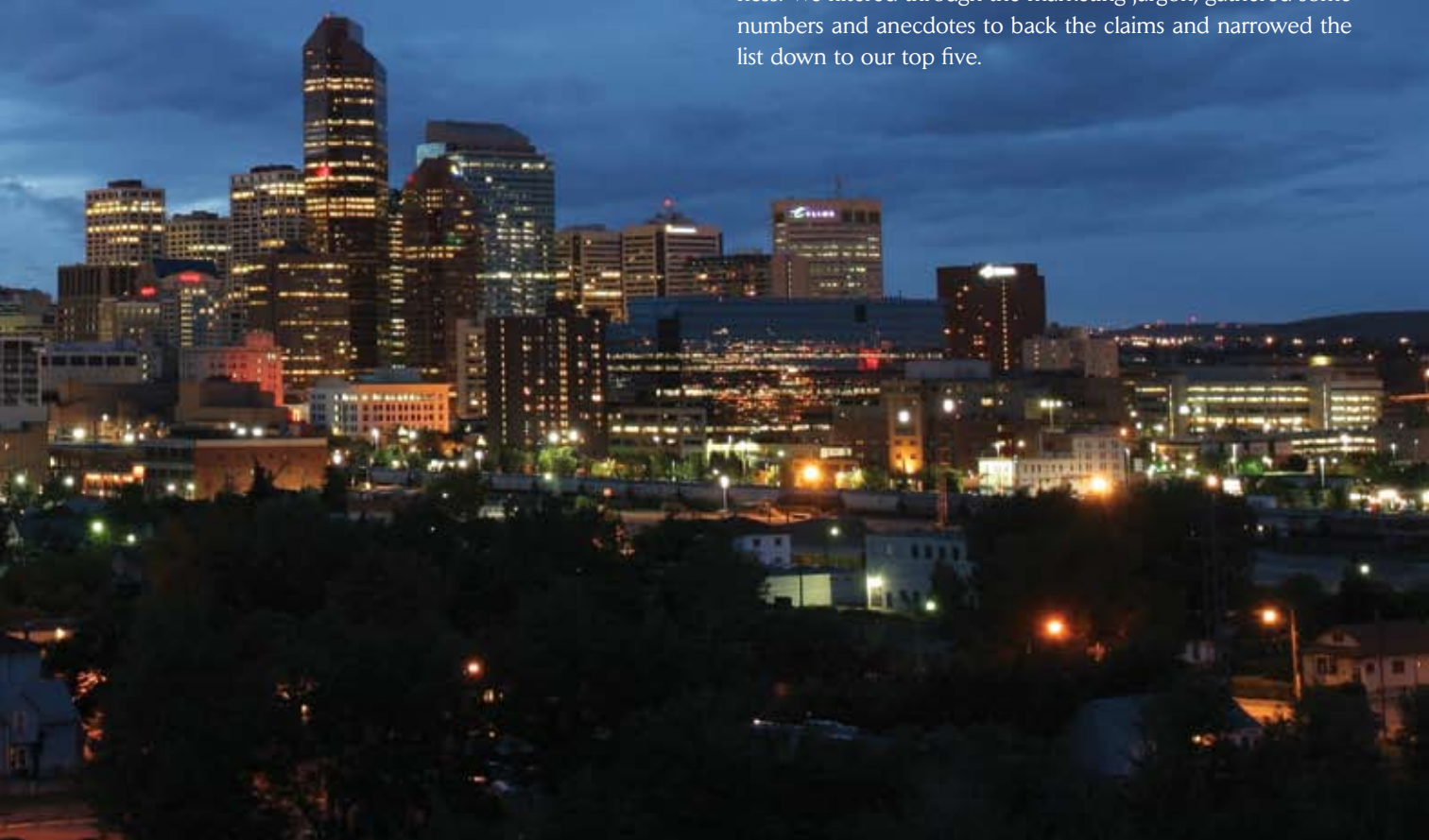
Furthermore, the Canadian Mortgage and Housing Corporation's (CHMC) latest Renovations and Home Purchase Report indicates that homeowners in Canada's 10 largest cities continue to spend more money than ever on household repairs, maintenance and alterations. The new federal tax incentives can only improve the outlook.

## Slower is better

The slowdown in new construction has also given the building industry a much-needed opportunity to breathe, especially in the West. Trade shortages are slowly easing, and renovators find themselves collaborating with municipal governments through effective partnerships that were formed out of necessity during the housing construction boom.

"We're just now starting to see a cleansing that needed to happen," says Foisy. "The good guys are still busy and the guys that were doing substandard work are starving."

After six weeks of independent research and more than 50 interviews, *Canadian Contractor* tracked down dozens of cities willing to step up and show us examples of renovator-friendliness. We filtered through the marketing jargon, gathered some numbers and anecdotes to back the claims and narrowed the list down to our top five.





Calgary

## CALGARY, ALBERTA

It should come as no surprise that we begin our list of Canada's most renovator-friendly cities with Foisy's hometown of Calgary, aka boomtown, aka Canada's economic engine, where a whopping ten per cent of the workforce—nearly 70,000 workers—are employed in the construction industry, a number that has nearly doubled in the past decade.

According to the CMHC, Calgary homeowners spent an average of \$15,600 on home renovations in 2007, nearly \$3,000 higher than the national average. And as the city's building boom shifts away from new construction toward inner-city development, Calgary looks to remain iconic in the renovations industry.

"I can say with certainty that the renovations business in Calgary is very strong," says Norm Mross, President of the local CHBA. "Half the people in an uncertain market will stay put and do the renovations, rather than take the risk of moving and losing their equity."

## Maintaining the core

In its typical progressive fashion, the city announced a new collaboration with the CHBA in January to address issues around urban density and infill development. The Inner-city Business Council is mandated to develop low-density residential housing guidelines for Calgary's established downtown communities.

"The city has always been very aggressive and forward-thinking in terms of working with renovators to streamline processes," said David Littwiller, a renovations contractor and the former national representative for the Alberta Renovator Council. "This council will produce what we call a living document, one that will certainly change over time. The purpose is to clarify the guidelines and examine inner-city bylaws so that we, as builders and developers will know what to expect when applying for permits at City Hall."

"We've spent a great deal of time and effort on both our parts to try and build a base of understanding and actually build a part-

nership, so we can feel comfortable when there are rough patches and resolve them together," said Stan Schwartzenberger, Director of Development and Building approvals for the city.

And for good reason. Rewind to 2005, when the city was being "buried in bricks and mortar." Calgary saw housing starts peak the following year with the construction of 17,000 new units. It had a crippling effect on public staff workload, and builders found themselves drowning in bureaucratic red tape. The city—which was losing time and money, due to personnel shortages and process delays—placed immense value on developing solutions in collaboration with local homebuilders associations. "We let it be known that it was taking too long to get permits through," says Mross at the Calgary CHBA. "The city realized that we can build a much better system together."

## One-stop-shop permits

In conjunction with the CHBA and a private technology firm the City of Calgary implemented the country's first Single Construction Building permit to replace the need for three separate building permits, at three distinct phases of construction. The Web-based system allows applicants to create a password-protected account, fill out a single electronic application form to cover all required permits and inspections, and to subsequently monitor the progress of the application.

Applicants can also book inspections 24/7 online or through a telephone hotline. And every city inspector has been issued a laptop computer so they can enter details in real time in a file that is accessible to the contractor. "For a site manager who has several sites to manage, he can address the trades issues (like trades inspections), find out what's missing," says Schwartzenberger. "That equals huge savings for him."

Since the automated system was introduced, the number of inspections has decreased 25 per cent, opening up \$3 million dollars in the department's annual operating budget, which will be used toward expanded, self-service technology. In 2007, Calgary's Single Construction Permit won a Canadian Information Productivity Award (CIPA).

## FREDERICTON, NEW BRUNSWICK

New Brunswick's capital city is home to the provincial legislature, The University of New Brunswick and the National Research Council's E-Commerce Division. It's been labelled one of the smartest cities in the world, having received national and international recognition for its advances in wireless technology infrastructure. And with some of the country's oldest housing stock—dating back to 1760—Fredericton is also a renovator's dream.

## No slowing here

"If there's a recession in the renovations industry, we don't know about it in Fredericton," says Juan Estepa, Fredericton's Manager of Heritage and Cultural Affairs. "We're still on record-level activity."



Fredericton

The 1997 Capital City Municipal Plan was a turning point for the residential renovation sector. The plan identified eight neighbourhoods with the potential to be designated as heritage preservation areas (HPA). It piloted the HPA designation in St. Anne's Point. Adjacent to the provincial legislature, and with over 300 privately-owned residences, the neighbourhood has created a niche market for specialized contractors.

"These old houses always need work.," says Estepa. "But because the area is designated, people have a great deal of confidence in going forward with renovations. (The HPA) provides a high set of development standards for everybody, which is good for those looking to invest in their homes."

For more than thirty years, local contractor John Morgan has used his certification as a journeyman, carpenter and cabinet maker to build theatre sets and construct museum exhibits and is considered a local expert in historic restorations. He believes Fredericton's heritage preservation bylaws have helped to further diversify his business. "Maybe the need was always there," Morgan says. "But I suspect people will be more interested in going the route of buying an older home, putting the work into it and fixing it up."

## Going residential

Incorporated in 2003, Morgan's company Fabinex employs eight people, including a Dutch cabinet-maker, a pattern maker and a specialist in metal castings and mouldings. Although museums and theatres are still on the list of clients, the company is currently in the process of remarketing to promote the growing residential business.

"The fact that the city has created a permanent position for a heritage manager within the building department with a specific mandate to preserve the heritage of the city is telling," says Morgan. He is referring to a move by the city to integrate the heritage and cultural affairs portfolio with the development services department eight years ago. The result has been a streamlined approval process for heritage building permits, or "Certificates of Appropriateness" as they are duly called. "I often find the heritage permit is approved faster than the building permit, says Morgan.

## BARRIE, ONTARIO

Forty-five minutes north of Toronto, the City of Barrie was given much acclaim following its 2006 Census distinction as Canada's fastest-growing Census Metropolitan Area (CMA). (It also boasts the youngest and fastest-growing work-

force). Nestled among modest-sized ski hills and situated on Lake Simcoe, Barrie has always been a popular tourist destination for Torontonians. More recently, it has been considered a bedroom community for Toronto.



Barrie

But Hany Kirolos, the Director of Strategy and Economic Development would be quick to point out that the city has long been considered Central Ontario's economic engine, a designation which has only been reinforced as the workforce grows and becomes more highly educated. "The Bank of Montreal completed their data centre here two years ago and they now employ 300 people," Kirolos said. "That is a prime reflection of the outside view of the city, not only in terms of the calibre of skill and talent that's here, but also the quality of life that can be sustained here for employers and residential."

## Business is better in Barrie

A Canadian business magazine recently rated Barrie as one of the top five cities in English Canada in which to do business. Even the United Nations has given Barrie a ranking, as the city with the fourth highest quality of life in the country.

And home renovations activity in Barrie is hot. Building permits for household renovations were valued at a phenomenal \$8.5 million between January and November 2008—including pools, pool enclosures, residential accessories, residential alterations and additions and decks.

## Changing focus to renovations

Like any expanding city, Barrie looked outward before it looked at its core. But it has more recently responded to its big city challenges, rapidly developing policies and incentives to encourage renovations and upgrades to its picturesque downtown.

One of the most lucrative financial incentives under the Allendale Community Improvement Plan provides a loan of \$25,000 for adaptive reuse and upgrade to the building code of buildings in the downtown area. The loan—which is funded by the Ontario Ministry of Housing—is up to 50 per cent forgivable. “One of the goals of the community improvement plan is to establish a resident population base in the downtown,” says Jim Taylor, Director of Planning and Development. “What we had were rundown apartments above businesses, for example, that were renovated to bring them up to a standard of good rental accommodation.” Along with new federal money, the move should keep Barrie’s renovators busy for a long time.

## MAPLE RIDGE, BRITISH COLUMBIA

Portrait Homes is a small development company based in Vancouver. A few years ago, the company purchased 105 acres of land in the District of Maple Ridge, just north of British Columbia’s largest city to undertake an ambitious green building project.

## Green development

“Maple Ridge is a very outdoors community with a lot of creeks and streams and rivers and natural habitat, so there’s a lot that has to be protected,” said Harry Grimm, co-owner of Portrait Homes. “This was one of the first developments in Western Canada to really embrace that sustainability.”

The idea was to create a quality subdivision of up to 70 houses in the middle of Maple Ridge’s greenbelt without impacting the natural storm water management system. Typically, new developments create a lot of hard surfaces—sidewalks, driveways, foundations and concrete pipes. Portrait Homes wanted to see if they could mimic the filtration of the third-growth forest, and have storm water absorb more naturally into the soil.

“We created a depressed pit,” explains Grimm. “So rather than sending a rush of water into the streams and creeks from a pipe, it filters through the soil and eventually comes out in a slow, manageable way.”

## Award winner

The result has been the creation of a liveable suburb that has so far had zero-impact on storm water runoff. In 2007, the Sil-



ver Ridge subdivision won the Gold SAM Award for the Best Residential Community in Canada.

Portrait Valley is just one building company that has embraced Maple Ridge’s Smart Growth Plan, a sustainability map for the region that was piloted in partnership with Simon Fraser University. The focus is on green innovation, infill development and the rehabilitation of centrally-located properties.

“We’re like every other small and large city where the big boxers want to come in and buy a piece of our agricultural land,” says Brock McDonald, Director of Licenses, Permits and Bylaws, “and although councils over the past number of years have taken a lot of criticism, we’ve resisted pretty well here.”

## Smart taxing for downtown

Maple Ridge has hundreds of properties downtown slated for redevelopment. There have been 1500 units added to the municipality’s residential stock in the last few years, but the city is working with local builders to create workable tax incentives for those interested in increasing density by rehabilitating the downtown core. “What makes a downtown core is people living in the downtown core,” says McDonald. “We know if there’s people living here, the retailers will come.”

And with two billion-dollar bridge projects set for completion this year—one north-south link to the Trans Canada Highway, another east-west link to the Port of Vancouver and the international airport—the district is preparing itself for unprecedented growth. The population is projected to increase by 50 percent within the next five years, from 73,000 to 110,000. That may seem overly optimistic. But the completion of the Golden Ears Bridge will put Maple Ridge within 20 minutes of the Canada-U.S. Border.

“Right now it can take up to two hours to get to the border,” says Sandy Blue, Manager of Economic Development. “So the completion of this billion-dollar infrastructure project is going to have a significant impact on the type of growth we see here.”

## An Honourable mention Airdrie, Alberta



**A** few years ago, the city purchased an old grocery store in the dilapidated downtown, renovated it into apartments, and used the rent revenues to construct its city hall next door.

"If you're dealing with business, you have to think like business," says Kent Rupert, Director of Economic Development for Airdrie.

Part of the Calgary CMA, the suburb of Airdrie grew 42 per cent between 2001 and 2006. And with a population of 35,000 Airdrie is now a city proper, just 15 minutes from the Calgary International Airport and a major centre for transportation logistics, such as Costco's Western Canada distribution centre.

"Airdrie leads the way in keeping up with (building) code changes and they are the first to implement and push the changes," says Leonard Gieck, owner of Loreck Homes Ltd.

The results? The city's total construction went from \$86 million to \$450 million between 2003 and '07. Thirty-four per cent of all home-based businesses in Airdrie are in construction. The city has virtually zero unemployment.

Airdrie has a number of other reasons to be highlighted: It spends a lot of time organizing forums to inform the industry of changes to the national code; it has created a pre-consultation for site plan approval to save contractors time and money; it has developed a means of expediting processes, such as stacking development and zoning permits, so they're approved simultaneously.



## WOODSTOCK, ONTARIO

"There are few tools in your toolbox to gain competitive advantage over other cities, but we try," David Creery, City Engineer for the City of Woodstock.

With a population of 35,000, it may seem an odd choice for our top five picks. But Woodstock is the chosen location for Toyota Motor Company of Canada's second Canadian manufacturing plant, scheduled to start production this year. And as North America's big three automakers continue to lay off employees indefinitely

and the economy dives further into recession, Woodstock may be poised to become Canada's new car manufacturing capital.

The Japanese auto giant will begin producing its fuel-efficient, compact sport utility vehicle, the RAV4. The move has created hundreds of jobs and has spurred millions of dollars in new investment to the region.

### Waiving developer's fees

"We have always prided ourselves in being as developer-friendly and as contractor-friendly as we can because it's one way to gain that competitive advantage," says Creery. "The city has waived development charges going back ten or more years. We recently extended the exemption for affordable housing, plus any development in our downtown as an incentive to build and rejuvenate."

Much of Woodstock's commercial and industrial expansion has taken place is on the south side of the city, which borders the country's busiest highway, Highway 401. But new industry dollars have revived interest in the downtown's old housing stock and dilapidated business properties and the city is doing what it can to encourage that interest.

Businesses can apply to the city for an interest-free loan to bring facades back to their original construction. And any property in the city-centre—business or residential—that increases in value after renovation will have tax increases phased in over five years.

## Small city, big plans

But perhaps Woodstock's most obvious advantage is that it's a small city with big city ideas. Long before Calgary's innovations were making headlines, Woodstock had a telephone hotline in place for building inspections, with a 24-hour guaranteed response. And contractors love the convenient "one-stop-shop" approval process for site plans and permits.

"You come into the engineering department and the person that you talk to at the front desk will stay with you all the way through the approval process, throughout the construction process," says Creery. "We've tried to protect the one-stop-shop, even from external forces, whether they be upper tiers of government or provincial regulators."

## Green money

Woodstock is also astutely environmentally conscious. Last year, the city introduced a toilet rebate program, offering homeowners \$50 to replace an old toilet with a low-flow (6-li-

tre) model, or \$60 to replace it with a high efficiency (3-litre) model. More than \$10,000 in rebates were distributed in the first seven months of the program.

The city will take the program a step further in 2009. Having obtained special pricing from American Standard, they will be selling lowflow shower heads to Woodstock residents en masse at wholesale prices. "People don't look at their toilets and say it's a high priority for renovations," says Curry, "but it's one of the tools in our toolbox." **CC**

**T**hough we did our best, we didn't talk to every municipality in Canada. More importantly, we may not have talked to yours, and missed one of Canada's best places to be a renovator as a result. If you think your community deserves to be counted as one of the best to do business in, tell us in 300 words or less why. We don't plan on publishing a list of the worst cities to work in, but if you want to warn us off of your city, you can let us know that, too. Email [Robert.koci@rci.rogers.com](mailto:Robert.koci@rci.rogers.com) with your comments on what it's like to work in your town or city.