

Master plan is recipe for corruption, decay

STEPHEN LEOPOLD

Countless flaws exist in Montreal's proposed master plan for development. The urban planners who conceived it do not understand the dynamics of downtown real estate. Most significantly, one 11th-hour amendment to the plan is a recipe that ensures future corruption at city hall.

No one will argue with the necessity for a master plan. Such a blueprint for the growth of Montreal is long overdue. If properly conceived and administered, it would be tremendously advantageous. After all, the rules of a game must be known before its players can commit themselves to long-term action.

The master plan as currently constituted, however, puts unrealistic, artificial and sometimes even absurd constraints on development in the core of the city.

To begin with, planners are mistaken if they believe that corporate tenancy (the very lifeblood of a city's tax base) will ever consent to move southward and eastward from downtown Montreal. The history of the last 30 years shows a steady, unstoppable corporate movement in precisely the opposite directions. Any legislation to discourage that movement would be disastrous, because it would only send companies, along with their tax dollars, to the suburbs.

Companies enjoy being in the core of the city because of the compactness and vitality of downtown Montreal. Since the early 1960s and the shift northward from Old Montreal, executives and employees alike have valued the proximity of their place of work to the city's major

DIALOGUE

*A column of opinion
and commentary
open to readers*

■ *Stephen Leopold is the founder and owner of Leopold Property Consultants, an adviser to corporate tenants in Montreal.*

department stores, underground shopping malls, hotels, restaurants and mass transit terminals.

Moreover, easy access from residential areas has made what is now the central business district of Montreal (the quadrilateral bounded by Sherbrooke St., Union Ave., René Lévesque Blvd. and Stanley St.) the location of choice for corporate decision-makers.

Over the last 30 years, this clear preference of space-users has compelled real estate developers to build office projects within this central business district. Over the next 30 years, however, should the master plan be adopted, it will become impossible for space-users to find affordable accommodation in the area where they most want it.

Rather than move south and east, away from the amenities that attracted them to the downtown core in the first place, companies and professional firms would choose to cut costs considerably by moving their offices to the suburbs. The core of Montreal would then lose the importance and liveliness that has historically made it such a magnet for business. Stagnation would set in. The tax base would not grow. Our city would be diminished.

How exactly does the master plan mil-

itate against development in the core?

Aside from imposing height restrictions and zoning laws that would push development away from the area where department stores, hotels and transportation terminals exist, the plan effectively suggests that fewer pedestrian tunnels be added to the underground network. It would confine future connections to buildings erected directly above Metro stations. Such a suggestion clearly conflicts with common sense, given the cold and wet climate of our city through most of the year.

Ironically, one element of the plan that seeks to increase development downtown will actually have the effect of creating instability, decay and ripe conditions for corruption. It would allow for higher building heights in the Guy St. to Stanley St. sector between Sherbrooke St. and just north of René Lévesque Blvd.

For the past 15 years, spot zoning brought in by the Drapeau administration has done a commendable job of preservation. Now, the 11th-hour amendment to the proposed master plan would drastically alter the rules of the game. It would allow for higher heights in the sector by increasing the FAR (foot-area ratio) from four to six. An FAR of four signifies that a developer is permitted to build four square feet of space for every one square foot of land on a property.

Promoters will purchase buildings not for the value of the buildings themselves but for the value of the land. They will then allow the buildings to decay, so they can eventually demolish them for replacement by larger, more profitable ones. With millions upon millions of dollars at stake, one of Montreal's finest neighborhoods will enter an era of disintegration, demolition and wanton de-

velopment.

That is not, however, the worst of it. The amendment in question would allow for bureaucratic discretion in regard to which properties may be accorded the right to increase their FAR.

Imagine a scenario wherein Mr. Jones owns property ABC of 15,000 square feet and Mr. Smith owns property XYZ of 15,000 square feet. If Mr. Jones obtains the right to increase his FAR from four to six while Mr. Smith fails to obtain the same right, then the bureaucrats at city hall would effectively allow Mr. Jones to build 50 per cent more space and thus possess a building worth 50 per cent more than Mr. Smith's.

On a property of 15,000 square feet with an FAR of four, the developer would be permitted to build 60,000 square feet of space. On the same property with an FAR of six, he could build 90,000 square feet of space.

Consequently, given that new downtown buildings sell for \$200 (or more) per square foot, then in using the above example the building with an FAR of four would be worth \$12 million, and a building with an FAR of six would be worth \$18 million. The difference of \$6 million represents a great deal of money in even the largest crapsheets.

It does not take an expert in human avarice to understand that an arbitrary, committee-like, decision-making process in regard to such matters is an invitation to corruption. Case law in municipal graft throughout North America overflows with examples of influence-peddling and breach of trust in regard to zoning and the granting of building permits.

As Montrealers, we have every right to expect, and demand, a thorough revaluation of many key components of the master plan.