The Development Industry and City Council Roll Call Votes in Calgary

By Janine Giles and Paul Fairie[1]

THIS IS A DRAFT. PLEASE DO NOT CITE WITHOUT PERMISSION.

Calgary is a city known for its expansive suburban development. At the same time, the development industry is hypothesized by political economists to have significant influence over city decision making. Using roll call votes, campaign finance data, census data and a publicly available video where the development industry candidly discusses their assessment of city council members, it is possible to analyze the structuring role of donations from developers on city council decisions, and the capacity of the development industry to assess the structure of city council voting blocs. We find that developer donations have a structuring role for council decision making, and find considerable evidence that the development industry has a accurate evaluation of city council decision making.

Of all the leaked videos concerning municipal politics released in 2013, a video of developers, meeting in private to plan a co-ordinated effort to gain 8 favourable votes on city council in Calgary (Geddes 2013), might not have been the most internationally salacious, but it is the most theoretically revelent to the literature on municipal political science. It is often proved difficult to empirically test the relationship between the development industry and City Council. Indeed, the theoretical literature is divided as to how to describe this relationship. Even theories that account for a close relationship between the two groups explain it differently: urban regime theory sees the closeness as a consequence of shared goals and complementary capacities, while urban growth machine theory sees the relationship as one where the development industry strongly influences city council decisions.

It is understandably difficult to tease these theories apart empirically, since there is no motivation for the development industry to disclose their intentions and political strategy (if there is one). However, the recent video of a prominent home Calgary homesbuilder speaking to a room of other prominent homebuilders and developers provides rich opportunities to test the different theories of power structures in cities. In it, the homebuilder provides an explicit evaluation of the entire City Council in terms of their benefit to industry. Using the video, as well as a complete set of roll call votes from October 2010 to April 2013 and ward-level characteristics drawn from various censuses, we test competing accounts of municipal power structures. We find that urban growth machine theory, which sees developers actively influencing city council decisions, provides the most compelling account of the Calgary power structure.

1 Theory

The theoretical context of this project involves two broad questions from the literature. First, what is the power relationship between an elected city council and the development industry? Theory suggests a wide range of relationships, from powerful city councils to powerful developers. Second, how do campaign donations influence council decisions and how do developers approach the issue of donations? The empirical literature suggests that developers give considerable amounts of money to cities undergoing rapid periods of growth, and that elected coalitions can influence the type of regime at City Hall.

1.1 Power and developers

Theories of power in municipal politics have long dominated the literature. They ask questions of which actors dominate the policy systems of cities and between them offer competing accounts and explanations of who has the power. The following section will briefly overview this rich literature, offering commentary specifically on what each theory

---

[1]Department of Political Science, University of Calgary. Contact Janine Giles at jlgiles@ucalgary.ca, or Paul Fairie at pfairie@ucalgary.ca.

says about the power dynamics between the development industry and elected officials.

Theories focused on elites (Hunter 1953, Dahl 1960) portray development as reasonably benign, where elites provide new developments to increase the economic underclass, seeing development, at least somehwat, as a beneficial policy for all involved. Developers are seen as actors in a system, sometimes more powerful, sometimes less powerful. The impact of business overall is quite muted because of the political control of economic factors (like development), and the necessary democratic elections underlying the selection of city officials. Under this sort of system, we would expect developers to vary in their level of influence in the city.

Rational choice (Peterson 1981) sees development as the explicit goal to city officials. Cities in this model are meant to compete with one another for resident and business interest in order to increase their economic, political and social status (22). In other words, the development emerges because it is in the cities best interest. Development, then, becomes a policy tool of the city to pursue its own agenda. In this situation, we would expect the city officials to be focused on pro-development policies, largely indifferent to any political lobbying by the development industry.

A third set of theories, set in the political economy framework, have criticized elite-focused work as being too dismissive of economic constraints and the rational choice work as being too constrained by such factors (Moore 2012). One such theory, urban regime theory (Stone 1989), outlines a close relationship between developers and city officials. However, the relationship is seen as reasonably benign, with business not so much dictating policy to elected officials, but instead elected officials and the development industry working together to the common goal of development in the city. Coalitions emerge over development because cities see development as a way to pursue beneficial policy ends, while developers see the opportunity for profit; they work together because neither can achieve their desired goals without the other. In other words, cooperation between developers and elected officials occurs because they have complementary skill sets and a common goal. In this case, we might expect a close relationship between developers and the city, but one more dominated by mutual interests and goals and complementary capacities than campaign donations.

Urban growth machine (Logan and Molotch 1987) starts with some similar premises, but the relationship between council and developers is portrayed as more dominated by developers. In this explanation both developers and city politicians want growth, but the theory diverges from Stone here. Under an urban growth machine model, developers, needing political approval for development projects, convince other businesses of the economic benefits of growth, and together they use "'resources to ensure the support of local politicians" (Moore 2012: 23). Subsequently, politicans link growth to matters of civic pride and focus debate on how to expand growth. The growth machine then perpetuates itself. These theories are consistent with discussions in economics of regulatory capture, where "as a rule, regulation is acquired by the industry and is designed and operated primarily for its benefits" (Steigler 1971). Here, we would expect city councils to be highly structured by campaign contributions by the development industry.

1.2 Campaign finance and council decisions

The literature on municipal election financing has struggled to sustain the same academic interest as regime theory. Regime theory literature takes stock of the socio-economic forces in municipalities that develop important, often reciprocal, relationships with office holders and administration. Further to these relationships, regime theory emphasizes the importance of the ideological orientation of legislative bodies and the political constraints and opportunities, for certain interests, as issues arise. Meanwhile, campaign finance literature examines the resources mobilized as part of the election campaign. In particular, much of the campaign finance literature focuses on the strategic behavior of donors with an eye on groups or industries "invest[ing] in candidates who may allow them access to power" (Fleischmann and Stein 1998: 675). The comparative literature on regime theory as well as election financing is extensive while the Canadian literature is quite sparse. In the following, particular emphasis is placed on American studies of cities where analysis has studied candidate-centered campaign in places with weak or non-existent parties.

The underpinning of this analysis is to study the relationship between campaign donations and the voting behavior of municipal council as a way to determine the type of urban regime that dominates Calgary civic politics. Donations from the most powerful interests in the development interests in Calgary may have an important role in structuring city council votes. Moreover, the stated motivation to donate money to certain incumbents and challengers provides a two-pronged approach to specifying which urban regime prevails in this growing Western Canadian city.

Urban political economy generally treats elections as a limited check on the power of business interests (Stone 1993). One check on power is campaign finance law. Donation limits, disclosure of donors, and spending limits are efforts to mitigate inequities in power and influence. Furthermore, these limitations and disclosures are intended to stop distortions in electoral outcomes and the erosion of the equality of vote. Campaign finance laws are also intended to allow the unseating of an incumbent candidate even if they are backed by powerful organized interests (Young and Austin 2008). However, skepticism about the effect of campaign finance laws abounds. Krebs argues that Los Angeles' contribution limits simply forced contributors to rearrange the form in which they deliver their donations and consequently did not diversify the actual sources of contributions (2005). The California Commission on Campaign Financing also found evidence of contribution limits being undermined by the practice of bundling and donations by prior donors' families and spouses, and concluded that contribution limits alone are ineffective in regulating campaign finance (1989). In Toronto, limits on the size of contributions coupled with a rebate for political donations contribute modestly to a more level playing field of political competition in that city (Young and Austin 2008). These regulations make candidates less reliant on corporate and development sources of donations (2008).

Studies typically take stock of how much and how often certain interests and groups contribute to local campaigns. Much of the campaign finance literature focuses upon the strategic behavior of donors that can lead to support for incumbents or popular candidates running for open seats whom are perceived as political allies (Fleischmann and Stein 1998). The presence of an incumbent advantage is a regular occurrence in candidate-centered political contests with incumbents outspending challengers regularly. In California, from 1979-1986, incumbents outspent challengers four to one in seventeen cities and counties. This resulted in incumbents spending 63% of campaign funds in these contests (CCCF 1989). Similar results are found in Canadian cities. In Calgary, the incumbents outspent challengers by an almost six to one ratio while in Toronto the spending was a ratio of three to one (Young and Austin 2008).

Among the limited number of studies examining campaign contributions, many have a similar tenor stemming from the growth machine hypothesis: corporate interests in municipal campaigns are the most numerous and these patterns of campaign contributions are stable because of their interest in issues of local economic growth and development (Logan and Molotch 1987; Krebs 2005).

Krebs and Pelissero note that the development industry has a more pronounced role in election campaign when an urban area experience expansion and growth (2001). The most important actors within the business community are linked to land use, development, and construction. Developers, home or condominium builders, engineers, architects, real estate marketers and attending professionals have an interest in promoting the intensification of land use within the city and supporting the candidates who will support this policy direction (Stone 1993). Donating to incumbents as an investment strategy to further developers' interests in local politics has been documented in other headquarters cities such as New York, San Francisco, and Boston during boom periods (Fleischmann and Stein 1998). Given the political culture in Calgary, and the verbal support of particular members of city council by the one of Calgary's largest homebuilder, the development industry has an interest in the type of council elected. Do these councilors act on their own capacity or is there a detection of coercion?

The development industry plays a significant role in financing candidates in many cities but Fleishman and Stone suggest their dominance in supporting candidates has been generally overstated in some places. In their study of Atlanta and St. Louis, the business industry was the main contributor to candidates' campaigns but the development industry was not the largest contributor of raised

funds (1998). Similarly, a study by Krebs of Los Angeles shows that business contributes the vast majority of funds but land use interests were not the most active donors (2005). In the only Canadian study, the role of the development industry in campaign fundraising appears to be larger. In his study of ten municipalities in Ontario, MacDermid found that the development industry's contributions were the largest segment of corporate donations and were also the largest portion of contributions in all communities (2006).

Normative considerations underlying political contributions is whether groups, corporations, unions, and wealthy individuals donate to campaigns to obtain benefits of some sort from government. Within the election campaign, individuals, groups, corporations, and unions can engage in the electoral process and donate to candidates as a means of lending their voice to a cause or issue (Dahl 1961). The accountability function of elections ensures equity among voters to choose who will govern them yet distortions may take place when contributions by wealthy and efficacious groups create significant financial inequities among candidates (Gimpel et al. 2006). Anticipated transactions that lead to preferential treatment by government fall into acts of fraud or bribery; however, in other activities, exercising undue influence may be less obvious such as regulatory policies and landuse bylaws created by City councils may be swayed by considerations of an industry or particular business (Young and Austin 2008).

Studies attempting to find a connection between campaign contributions and the type of governing regime that emerges are rare. In their study of Chicago, Krebs and Pelissero found that the electoral coalition of one mayor helped establish a progressive regime while the coalition for the other mayor helped establish a management regime (2001). Furthermore, both mayors had somewhat larger set of regular supporters than pundits construed and the subsequent re-election campaigns augmented the number of groups in the election coalition. This study of Calgary is different from Krebs and Pelissero's because it investigates the relationship between the electoral support of the establishment in the development industry and its role in structuring Calgary city council voting. Furthermore, the Calgary case provides an odd ex-ception of having a development industry leader name the candidates for council worth supporting through campaign donations. Calgary needs eight councilors to pass votes. With the change in the campaign finance laws that came into effect in the 2010, and concern about a new mayor who does not support the development industry as strongly as past mayors, the development industry has taken a keen interest in organizing electoral support for development-friendly public officials (Geddes 2013).

2 Background

Calgary provides a promising case for the study of municipal power structure, particularly regarding the influence of the development industry on political decision-making. The city has traditionally played a limited role overseeing development, instituted weak campaign finance regulations for both donors and candidates, pursued a one-city policy, and seen development as a business issue (Foran 2009). More recently, a new mayor (Naheed Nenshi) has been elected, who has drawn the ire of the development industry, which has demonstrated a fear of change despite prolific growth at the city's fringe (CBC News 2013).

The city, as a result of the province's *Local Authorities Election Act*, has also historically had weak regulations with regard to campaign finances. Before 2010, disclosure was required for donations over $100, but no contribution or spending limits were in place. In the last election, new regulations instituted a contribution limit of $5,000 per year to a given candidate, though no new spending limits or disclosure requirements were enacted. Young and Austin (2008) argued that, when compared to Toronto, developers were able to make up a larger percentage of donations to candidates in Calgary. Indeed, developers played an important role in providing funds for candidates: in 1998, 2001 and 2004, developers provided 29% of the donations to candidates (Young and Austin 2008: 94).

Institutionally, the City of Calgary has consistently annexed suburban towns nearby, as a consequence of the McNally Commission in 1956. This was meant to provide land supply for development over the long-term for developers, and provide efficiencies of scale for the city (Foran 2009).

4

The city has also adopted a business-centered model of development. Reese and Rosenfeld (2012) describe Calgary as a development and oil and gas development regime, with low levels of civic participation and citizen engagement, a high level of engagement with business through the publicly-funded Calgary Economic Development Agency, high levels of peripheral development, political recruitment from Conservative and business backgrounds, and high levels of re-election.

Perhaps as a consequence of this business-oriented approach is the city's traditional lack of oversight of development. Foran (2009) has laid out a historical account of the relationship between the city and developers. After the city ceased pre-installing utilities, and developers were responsible for this in the early 1950s, "the City in effect lost the real power to direct growth" (22). Foran further outlines how developers sought and received a "speedy subdivision approval process" (18). In lobbying the city, developers argued that easing this process would be in the interests of the homebuyer.

The homebuyer and mortgage industry also play important roles here. For example, the Central Mortgage and Housing Corporation (CHMC) "became increasingly generous with respect to amortization periods, down payments and insurance" to fuel an appetite to purchase single family dwellings among high-income earners (12). The CHMC itself was an active participant in development politics in Calgary, by refused to lend money to homeowners for homes in communities that did not meet its standards, as "its lending policies provided the foundation upon which urban sprawl took shape not only in Calgary but throughout the country" (14). As the recipients of these more generous mortgages, homeowners also put pressure on the city to provide single family home neighborhoods, with zoning demands that "encouraged expensive and inefficient expansion" (10).

An interesting development in recent years has been the election of Mayor Naheed Nenshi. Voter turnout in 2010 was 53% (in contrast to 32% in 2007, and 19% in 2004). Lacking three-term mayor Dave Bronconnier, the election was highly competitive, with conservative alderman Ric McIver, television news anchor Barb Higgins and university professor Naheed Nenshi all running strong and successful campaigns. Bronconnier was primarily supported by the development and real estate industry (Reese and Rosenfeld 2012), whereas Nenshi, as seen in the development industry meeting video, has been seen as less favorable to the industry.

3 Questions and hypotheses

In order to distinguish between various theoretical accounts of municipal power structures in terms of their applicability to Calgary, we need to explicate various hypotheses.

3.1 H_1: Developers preferences structure city council decisions better than ward-level factors.

What influences city council decisions more: ward-level factors or developer variables? Pluralism would suggest that ward-level factors should structure city council decisions regularly, more than variables related to developer donations or perceived pro-development council groups. If urban growth machine theories explain city council roll call votes, we anticipate that developer variables will account for more variation than ward-level factors.

3.2 H_2: City council decisions will be split.

Are city council votes cohesive? If H_1 is supported by the data, then if rational choice theory were to explain city council roll call votes, then we would anticipate these votes to be cohesive, since pro-development policies would be in the city's interest.

3.3 H_3: The relationship between city council and developers is based more on coercion than complementary capacities.

Is the relationship between developers and city council based more on capacity or coercion? If urban regime theory were best to explain Calgary city council, then we would expect the discussion in the video to be based on this co-operation; if urban growth machine theory were instead better at explaining this, then we would anticipate that it would be based on influencing council's decisions through campaign donations.

3.4 H_4: Developers have a high capacity in evaluating city council decision-making patterns.

The correct evaluation of political decision-making patterns (that is, knowing which councillors are supportive or opposed, as well as knowing about decision-making processes and campaign finance laws) is necessary in an urban growth machine system, but not in urban regimes.

4 Method and data

4.1 Roll call votes

The roll call votes were drawn from Calgary City Council minutes[2]. We used various text functions in Excel to automatically code the votes. It includes all votes where there were recorded divisions (which, in Calgary, appears to be most votes on council, other than some more perfunctory votes). The three years of council meetings, which took place in Naheed Nenshi's first term in office, incorporate 792 votes. Missing votes were simply disregarded when undertaking the statistical analysis, in accordance with general practice.

4.2 Developer variables

Two developer-related variables were constructed. The first was drawn from the video. Developer Cal Wenzel provided a helpful councillor-by-councillor qualitative evaluation (Geddes 2013). Viewing this video, we constructed a simple three-point ordinal variable: 1 indicated that the developers opposed the councillor (labeled at one point as "on the dark side"), 2 was indicated for councillors given a neutral or mixed evaluation, and 3 was reserved for councillors given a positive evaluation. The co-authors provided separate evaluations and agreed on the values. The range was between 1 and 3, with an average of 2.

A second variable was the campaign contributions from the two major home builders, Shane Homes and Jayman MasterBuilt. Shane Homes owner Cal Wenzel was the featured speaker in the video, and Jayman MasterBuilt hosted the event

---

[2]We looked at a subset of votes dealing with development issues, and the results were substantively the same.

(Markusoff 2013). This variable measured the proportion of donations given to the councillor or mayor in the last election for their race, as measured in Markusoff (2013). For example, Nenshi received no donations from these contributors, while other candidates did. He was therefore assigned a 0 on this variable. The average value was 49.4% (that is, councillors currently in office received, on average, 49.4% of the money in their ward (or, in the case of the mayor, the city)).

4.3 Ward-level variables

Various ward-level variables, drawn from Ward Profiles provided on the City of Calgary's website, were used to measure ward-level factors. Population change was measured in between 2006 and 2012, ranging from -3% to 68%, with a mean of 16%. Visible minorities in each ward varied from 9% to 51%, with an average of 24%. Percentage of immigrants in each ward varied from 15% to 38% (avg 25%). Households with census families ranged from 58% to 91%, with a mean of 82%. The range on single family homes 19% to 86%, with an average of 61%.

4.4 Multi-dimensional scaling

Multidimensional scaling is a statistical technique that visualizes how similar to variables are, by using a dissimilarity matrix. A simple example involves distance. If we know that Paris is 23km from London, which itself is 45km from New York, which in turn is 38km from Paris (an obviously fictional example), we can then use this technique to figure out where each of these cities is in relation to one another. Similarly, if we know that Smith votes with Grant 23% of the time, and Grant votes with Jacobs 41% of the time and Jacobs votes with Grant 62% of the time, we can use the same technique to provide a visual representation in two (or more, if desired) dimensions. For more technical details, see Kruskal and Wish (1977) and Everitt and Hothorn (2010). This technique has been used to explain phenomena as the structure of votes in the United Nations Assembly (Holloway, 1990).

In contrast to the cluster analysis, which compares groups to each other, multidimensional scaling compares councillors to each other. By placing them on a two-dimensional map, a visualization of

council is possible, and then by performing a linear regression on the co-ordinates, it is possible to determine what factors are associated with positions on the visualization and, therefore, what the major factors deciding the groupings of councillors are. This is quite an appropriate method because it is excellent for determining clusters in data, and this research is more generally trying to figure out how councillors themselves cluster.

5 Quantitative results

First, we present the dissimilarity matrix. These matrices provide the rate of *dissimilarity* between any pair of City Council members. The larger the number, the higher the rate of disagreement. For example, Nenshi and Carra disagree 27.8% of the time. While such direct interpretation is possible, it is difficult with so many councillors to identify groups. Using multidimensional scaling provides us with a visual depiction of council voting patterns.

Figure 1 presents the multidimensional scaling (MDS) visualization of the dissimilarity matrix. Council members who are positioned closer to one another vote more similarly, while council members who are positioned further apart from one another vote less similarly. For instance, Pincott and MacLeod are positioned very close to one another, while Chabot and Farrell are positioned quite far apart from one another.

From this figure there is no major cleavage on council between two or three distinct and cohesive groups. Some small groupings of two or three councillors seem to emerge, but a more systematic method for explaining the spatial relationships in council is needed. Indeed, while this method provides us with the dimensions missing in the dissimilarity matrix, there is no way to directly interpret the axes. However, for this we can use linear regression to search for correlates of the axis values. $R^2 = 0.6883$

Table 1 reports the linear regression on the x axis, using four variables. None of the ward level statistics are substantively significant, with small t-values indicating that they introduce as much or more error than they explain variation in the dependent variable. However, the ordinal variable for the cabal explains a considerable amount. For each
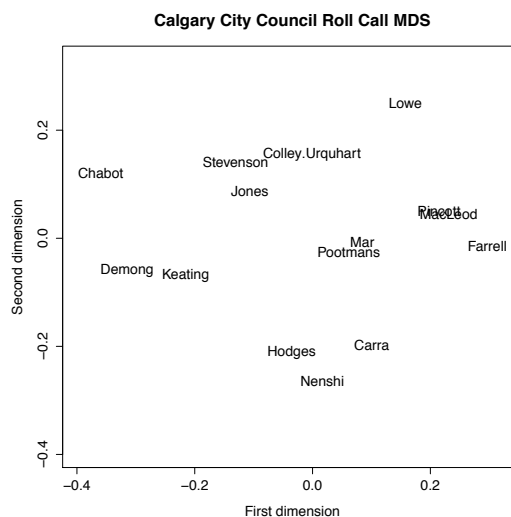

Figure 1: MDS, Calgary City Council

Table 2: Regression, x-axis

	B	Std. Err.	t value	p
(Intercept)	-0.006	0.184	-0.033	0.974
developer	-0.335	0.083	-4.052	0.002
popchange	0.000	0.002	0.078	0.939
singfamhome	0.010	0.275	0.035	0.973
immigrant	0.533	0.532	1.003	0.340

Table 1: Dissimilarity matrix, Calgary city council

	NN	GC	AC	DCU	PD	DF	DH	RJ	SK	GL	GM	JM	BP	RP	JS
NN	0%	28%	60%	54%	46%	43%	47%	44%	41%	58%	45%	48%	48%	42%	49%
GC	28%	0%	61%	47%	48%	33%	46%	46%	42%	52%	36%	42%	38%	33%	46%
AC	60%	61%	0%	48%	29%	68%	54%	38%	38%	55%	65%	55%	63%	54%	37%
DCU	54%	47%	48%	0%	45%	44%	56%	43%	49%	40%	44%	35%	43%	43%	40%
PD	46%	48%	29%	45%	0%	65%	50%	40%	26%	60%	59%	51%	57%	46%	39%
DF	43%	33%	68%	44%	65%	0%	51%	49%	56%	34%	25%	36%	26%	39%	51%
DH	47%	46%	54%	56%	50%	51%	0%	52%	48%	58%	51%	44%	52%	45%	55%
RJ	44%	46%	38%	43%	40%	49%	52%	0%	31%	41%	39%	44%	43%	36%	28%
SK	41%	42%	38%	49%	26%	56%	48%	31%	0%	55%	50%	47%	51%	40%	34%
GL	58%	52%	55%	40%	60%	34%	58%	41%	55%	0%	27%	44%	32%	38%	39%
GM	45%	36%	65%	44%	59%	25%	51%	39%	50%	27%	0%	41%	26%	32%	44%
JM	48%	42%	55%	35%	51%	36%	44%	44%	47%	44%	41%	0%	39%	39%	48%
BP	48%	38%	63%	43%	57%	26%	52%	43%	51%	32%	26%	39%	0%	38%	47%
RP	42%	33%	54%	43%	46%	39%	45%	36%	40%	38%	32%	39%	38%	0%	41%
JS	49%	46%	37%	40%	39%	51%	55%	28%	34%	39%	44%	48%	47%	41%	0%

point gained on the variable, the council member is likely to move -.33 units to the left. The t-value is high (-4) indicating that the explanation introduces less error than it explains. This is highly supportive of the notion that the cabal variable accounts for a large portion of the variation along first (x) axis. The R^2 is 0.56, and the F-statistic is significant. In fact, when removing the non-cabal variables from the model, the R^2 increases (to 0.66) and the F-statistic value does as well.

Table 3: Regression, y-axis

	B	Std. Err.	t value	p
(Intercept)	-0.306	0.165	-1.857	0.093
bigtwo	0.150	0.091	1.658	0.128
popchange	-0.001	0.002	-0.439	0.670
singfamhome	0.145	0.236	0.616	0.552
immigrant	0.642	0.603	1.065	0.312

$R^2 = 0.3203$

The y-axis is more difficult to account for. Using the 'bigtwo' variable, the R^2 value is 0.32, and the t-value for the bigtwo predictor is the highest of any variables tested (1.6). Similar to the x-axis, the cabal-related factor explains the most of any variable, but not as much as for that first axis. The diversity and local growth measures again seem irrelevant for accounting for variation in city council decisions.

6 Analysis

What does this suggest about the role of campaign donations in structuring city council vote, and the capacity of the development industry to evaluate the council members' voting patterns?

When taking in account population change and diversity factors at the ward level, they explained little about the structure of city council decisions. However, when adding information about developer votes, the second (y-axis) dimension was partially explained, while adding information about developer evaluations of council members the first (x-axis) was well explained. This suggests that developers donate to candidates who are similiar to one another. It does not suggest that councillors are responding to these donations (that would require other research), but it does suggest that they are donating funds to a coherent group of councillors. This supports the contention that developers have a strong capacity for evaluating city council politics.

How well did the industry's evaluations describe city council? Let us look at Figure 2. This re-

creates the MDS show earlier, but replaces councillors' names with their descriptions (leaving Nenshi's name as a reference point). Some descriptive patterns are immediately evident.
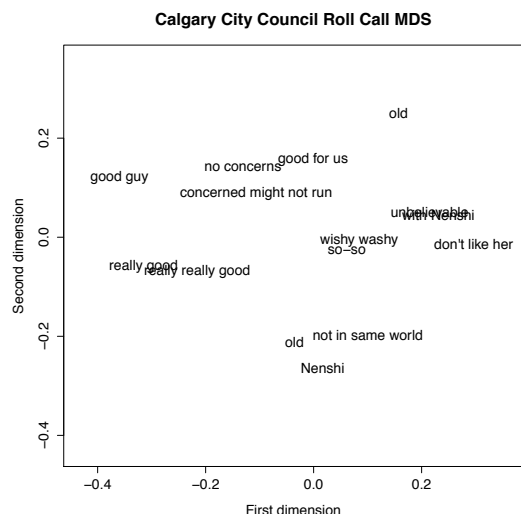

Figure 2: MDS with developer descriptions

Councillors described as 'good guy', 'really good', and 'really, really good' have the three lowest x-axis values, whereas councillors' described as 'unbelieveable', with Nenshi', and 'don't like her' are the three highest on this axis. Councillors described in explicitly neutral terms ('wishy-washy' and 'so-so') are located proximate to one another. The councillors closest to the mayor are either dismissed as old and irrelevant or descrbied as being 'not in the same world' as developers.

Two conclusions could be drawn from this. First, the development industry might have engaged in a similar analysis to this paper and evaluated them in such a manner. More likely, however, is that the industry has a high capacity for evaluating patterns of city council votes.

Why is this important? Urban growth machine theory hypothesizes that developers, along with allied businesses, "uses its resources to ensure the support of local politicians" (Moore 23). While we offer no evidence of the donations direct causal link with city council decision making, this evidence does demonstrate that the industry has a high capacity in evaluating which councillors are support

maintaining or growing the industry. Having a high capacity would facilitate the politics suggested in urban growth machine (that is, using donations to carry council decisions), but would be unnecessary in an urban regime-type situation, where council and developers are working towards a common goal.

The video itself is also useful at distinguishing between urban growth machine theory and urban regime theory. These theories differ strongly in their evaluations of the relationship between developers and city council. As stated, urban growth machine theory sees developers as using resources to influence council, while urban regime theory "does not envision the business coaliton as buying politicians rather it purports a natural synergy that attracts business and politicians to each other" (Moore 23). In the video, the developer connects the notions of coordinated resources of developers (i.e. campaign donations) to the idea of having a favourable city council:

> so unless we get somebody in there that's really going to be more on our side than the dark side we're talking another four years after after next October. So anyways, there's a couple things to keep in mind when you're going to support here or there or whereever... (Geddes 2013)

Here, he is speaking of developers as a group with a common interest that needs to be expressed through supportive city councillors. He does speak of common goals (as would expected in an urban regime situation), but he does speak of how coordinated action is necessary to ensure city council is on their side, rather than "the dark side".

The video further demonstrates how the industry seeks to use their resources to influence enough votes on council to pursue their agenda. The developer said:

> When I talked to [former mayor] Dave Bronconnier, Dave is sitting there saying, "It doesn't matter if you've got the mayor on your side or not, you need eight votes". He said, "As long as you have eight votes you can control whatever happens". So for whatever and however we have to ensure that we end up with the eight votes (Geddes 2013).

This quote suggests that the industry is aware that they need to work within the existing institutional structure, by securing eight votes on council. Again, this further supports the idea that they have a high capacity when evaluating council decision making.

Further, the industry has shown themselves at least somewhat adept at understanding the contribution limits law, donating $5,000 each year to candidates they support. The developer explicitly connects the concepts of campaign finance, favourable city council decisions and business success to one another, further suggesting that not donating directly negatively influences business down the road:

> If we don't support them... you get exactly what you deserve. [...] When it comes down to money you have to sit there and kind of work it on the basis not of how much it's costing you, how much it's costing you by not doing it. I've got a number of developers here suggest that it's maybe costing you a couple of million dollars because you can't get your land on. [...] So how much does it really cost you? So if we have to sit here and say you know we have to fund maybe 10 candidates here for $5,000 that's 50 grand this year and 50 next year. Keeping in mind in order to bring Preston on board 11 of us put up 100 thousand so a million-one so it's not like we haven't put up our money and we're going to be there to put it up again and we're also supporting the candidates. So I'll leave you with that it's up to you guys whether you want to succeed going down the road or not. I'm scared as hell and quite frankly, if they were to win I'm not so sure I'd stay in business because I think it'd be an untenable situation (Geddes 2013).

This quote (as elsewhere in the video) suggests that they a running a slate of candidates, and are concerned that a rival group might be doing the same. There is also discussion of how they used $1.1 million in donations to the Manning Centre for reasons that remain unclear as part of their effort to achieve the end goals. In all, the video demonstrated a close knowledge of the municipal political system in Calgary, and an explicit interest in a favourable council achieved through campaign donations.

7   Conclusion

To return to our initial questions, do developer donations structure city council decisions, and does the development industry have a high capacity for evaluation the political landscape. On the issue of developer donations structuring city council decisions, we can see that they do account for some of the variation in council decision making. More importantly, however, developers appear to have a high capacity for evaluating city council.

The development industry in Calgary explicitly connects the concepts of campaign donations to council decisions to industry success. While it is difficult to concretely establish the causal connection betwen donations and decisions without further research, it does appear explicit that developers believe this to be the case.

Moreover, the developers account, along with the quantitative evidence offered here, support urban growth machine theory. That is, the relationship between developers and the city is one where developers co-ordinate and use their resources to (at least in their view) carry votes on council. This is not consistent with urban regime theory where council and the industry merely work together towards a common goal, but instead one where industry is influencing some aspect in council.

A   Transcript of appraisal of councillors

The following provides a transcript of the appraisal of city councillor's from the development industry meeting, available in Geddes 2013.

Ward 1: Dale Hodges

Dale is 72 years old and not good of health, and the rumour mill has it that Dale will not run again. Chris Harper, who of course came in second and is becoming quite a fixture in that ward, is very much the Nenshi lean. He will fit the civic camp

quite well. So likely as not, that is a ward we will have to have a good candidate to run in.

Ward 2: Gord Lowe

Right now we are being told that Gord is going to make that decision I think by Christmas, January. Looking at it, I am not so sure if it would matter whether Gord runs or not. I think Magliocca can beat him. He's a much younger man, he's a businessman. Now, whether he'd be on our side or not, that, I am not sure of, and quite frankly we haven't had an opportunity to talk to him yet.

Ward 3: Jim Stevenson

Jim Stevenson - there's no concerns there.

Ward 4: Gael MacLeod

Gael MacLeod is definitely with Nenshi and the gang, and I don't know if we have a good alternative to run there right now at all.

Ward 5: Ray Jones

My only concern is that Ray is so sick and tired about being lied to by administration that he may decide not to run. Now I've talked to him, Shane's talked to him. I think that's just out of frustration, that one particular week, or at least I hope so, but he was pretty ticked the last time I talked to him. But I think you can kind of count on Ray to run.

Ward 6: Richard Pootmans

He's kind of so-so. I know there's a few here that like him, there's a few that don't. I don't know if anyone I know Joe Connelly has talked about running there and even Joe doesn't think he can beat him.

Ward 7: Druh Farrell

In case anyone doesn't know, she doesn't like me and I don't particularly like her (laughter). I had 13 trucks out last election delivering signs and assembling them, and I got called by Druh and the elections because they said I'd given $5,000 in cash so therefore my trucks that were out delivering put me over the $5,000 limit. So Druh and I don't see eye to eye obviously.

Ward 8: John Mar

Talking with a lot of you people in this room- he's a little bit wishy washy. You know, we're never sure whether he's in the gray, or in the purple, or just where he's at. So I am not sure on that one there.

Ward 9: Gian-Carlo Carra

Jay and I know this guy from a long time ago. He was actually the consultant for (a project that Jay and I have a business interest in), and he presented us down in Tuscon that the land that we need- the 320 acres that we own in the northeast- would become the first carless subdivision in the city of Calgary. Carless. So you park your cars around the periphery and you walk in. Obviously Jay didn't agree with it. I didn't have any problem with it at all. (laughter) So we've known this guy for a long time. He is he's not in the same world as we are.

Ward 10: Andre Chabot

Andre Chabot- good guy- but of course he came out and spoke against the mayor and a few other people and he got ostracized, so any of you in the development industry recognize that Andre is on no particular committee that has any importance at all.

Ward 11: Brian Pincott

Brian is a strange one. You know, James Maxim, as you can see lost by 13-1400 votes. James is running again and will definitely receive our support. You know, some of the things we hear coming out of Brian's mouth are unbelievable but I'll get into that just a little bit later on.

Ward 12: Shane Keating

Shane has proved to be a really, really good guy. I even congratulate him on some of the stuff he's done, only because he appears to use logic and common sense, which is a wee bit lacking at city hall right now.

Ward 13: Diane Colley-Urquhart

Unfortunately, she just lost her husband a couple or three months ago. We did go down and talk to her because the last couple of years she really hasn't been totally there, totally on side. And her explanation was-unfortunately with her husband being as sick as he was-most of the time she really didn't have time to pay attention but she's assured us now that she will. So a Diane Colley Urquhart that's really prepared to work is a good person for us, I believe.

Ward 14: Peter Demong

Peter Demong has done a really good job for us at this point.

Bibliography

California Commission on Campaign Financing. 1989. *Money and Politics in the Golden State: Financing California's Local Elections.* Los Angeles: Center for Responsive Government.

CBC News. 2013. "Suburbs to see 94% of Calgary's growth in next 5 years" URL
Dahl, Robert A. 1961. *Who Governs? Democracy and Power in an American City.* New Haven, Connecticut: Yale University Press.

Everitt, Brian S. and Torsten Hothorn. 2010. *A Handbook of Statistical Analyses Using R.* CRC Press.

Fleischmann, Arnold and Lana Stein. 1998. "Campaign Contributions in Local Elections," in *Political Research Quarterly* 51: 673-689.

Foran, Max. 2009. *Expansive Discourses: Urban Sprawl in Calgary, 1945-1978.* Athabasca, Alberta: University of Athabasca Press.

Fuchs, Ester R., Scott Adler and Lincoln A. Mitchell. 2000. "Win, Place, Show: Public Opinion Polls and Campaign Contributions in New York City Elections." *Urban Affairs Review* 35: 479-501.

Geddes, Lisa. "Exclusive: Watch the entire 18 minute secretly taped video of Cal Wenzel talking to a meeting of developers." *Global News*, URL (Click here), April 23, 2013.

Gimpel, James G., Frances E. Lee and Joshua Kaminski. 2006. "The Political Geography of Campaign Contributions." *The Journal of Politics* 68(3): 626-639.

Holloway, Steven. 1990. "Forty years of united nations general assembly voting". *Canadian Journal of Political Science*, 23(2):279-296.

Hunter, Floyd. 1953. *Community Power Structure: A Study of Decision Makers.* Chapel Hill: The University of North Carolina Press

Krebs, Timothy B. 2005. "Urban Interests and Campaign Contributions: Evidence from Los Angeles." *Journal of Urban Affairs* 27(2): 165-175.

Krebs, Timothy B. and John P. Pelissero 2001. "Fund-Raising Coalitions in Mayoral Campaigns." *Urban Affairs Review* 37: 67-84.

J.B. Kruskal and M. Wish. *Multidimensional scaling.* Sage Publications, 1977.

Logan, John R. and Harvey L. Molotch. 1987. *Urban Fortunes: The Political Economy of Place.* Berkeley: University of California Press.

MacDermid, Robert. 2006. "Funding Municipal Elections in the Toronto Region." A paper presented at the *Annual General Meetings of the Canadian Political Science Association*, Toronto.

Markusoff, Jason. 2013. "UPDATED: Cal Wenzel, Jay Westman and the 2010 election: $101,225 on losing campaigns." *Calgary Herald, Hall Monitor* URL

Moore, Aaron. 2012. *Planning Politics in Toronto: The Ontario Municipal Board and Urban Development.* Toronto: University of Toronto Press.

Peterson, Paul E. 1981. *City Limits.* Chicago, Illinois: University of Chicago Press.

Reese, Laura A. and Raymond A. Rosenfeld (eds.). *Comparative Civic Culture The Role of Local Culture in Urban Policy-Making.* Surrey, England: Ashgate.

Stigler, George. 1971. "The theory of economic regulation". *Bell Journal of Economics and Management Science.* 2:3-21.

Stone, Clarence N. 1993. "Urban Regimes and the Capacity to Govern: A Political Economy Approach," *Journal of Urban Affairs* 15: 1-28.

Young, Lisa and Sam Austin. 2008. "Political Finance in City Elections: Toronto and Calgary Compared." *The Canadian Political Science Review* 2(3): 88-102.