



CITY OF YELLOWKNIFE

GOVERNANCE AND PRIORITIES COMMITTEE REPORT

Monday, November 21, 2022 at 12:05 p.m.

Report of a meeting held on Monday, November 21, 2022 at 12:05 p.m. in the City Hall Council Chamber. The following Committee members were in attendance:

Chair: Mayor R. Alty,
Councillor S. Arden-Smith,
Councillor G. Cochrane,
Councillor R. Fequet,
Councillor B. Hendriksen,
Councillor C. McGurk,
Councillor T. McLennan,
Councillor S. Payne, and
Councillor R. Warburton.

The following members of Administration staff were in attendance:

S. Bassi-Kellett,
C. Greencorn,
C. MacLean,
K. Thistle,
C. White,
G. White,
S. Woodward, and
S. Jovic.

<u>Item</u>	<u>Description</u>
1.	(For Information Only) Mayor Alty read the Opening Statement.
2.	(For Information Only) There were no disclosures of pecuniary interest.



(For Information only)

3. Committee read a memorandum regarding whether to dispose of the remaining lots in Engle Business District Phase 2 Subdivision.

Committee noted that Phase 1 of the Engle Business District subdivision started construction in 2007. The City had sold all lots in Phase 1 by the summer of 2016.

On April 24, 2017, Council approved By-law No. 4931, a by-law to adopt the Engle Business District Phase 2 Area Development Plan and Phase 2 Construction Extent was completed in November 2017 (*Figure 1*). On February 26, 2018, Council approved By-law No. 4948, a by-law to amend the original Area Development Plan by-law to reflect the as-built conditions of the subdivision. Subsequently, Council approved By-law No. 4965, a by-law to authorize disposal of 40 lots in Phase 2, 2017 Construction Extent on May 22, 2018. To date, 25 lots have been sold.

The City has received interest from prospective purchasers seeking to acquire approximately 30 percent of land in the remaining areas of Phase 2. The remaining lots currently for sale are not suitable for the proposed purchasers.

When the City completed the Area Development Plan and engineering drawings for the entire Phase 2 subdivision in 2017, all lots in the subdivision were surveyed and titled as per the Area Development Plan. These lots are ready for transfer to future purchasers except for a portion of Lot 84, Block 907. The remaining areas of Phase 2 still require the construction of roads and related infrastructure, including site services.

Should the proposed disposal by-law be adopted, staff intend to proceed with a construction plan to build the required infrastructure and services. Typically, a subdivision construction project would take up to two years to complete, excluding paving.



Figure 1: Engle Business District Phase 2 Context Map

Committee noted that Council's policies, resolutions or goals include:

- Council Goal No. 1 Growing and diversifying our economy
- Council Goal No. 4 Driving strategic land development and growth opportunities

Council Motion #0234-16 That Administration be directed to proceed with Phase 2 of the Engle Business District development, including: a) road and lot layout engineering design with development cost



estimates; and b) preparation of an Area Development Plan and amendments to the Zoning By-law, to allow for the Engle Business District Phase 2 development.

Council Motion #0271-16 That Council approve the following price incentives for Engle Business District Phase 2 lands:

- Up to five years to pay the balance of the purchase price;
- The timeline to obtain an approved development permit be extended from one year to two years (from the possession date); and
- Up to four years to complete construction (from the possession date).

Council Motion #0080-17 Third Reading of By-law No. 4931, the Engle Business District Phase 2 Area Development Plan.

Council Motion #0063-18 Third Reading of By-law No. 4948, a by-law to amend the Engle Business District Phase 2 Area Development Plan By-law No. 4931, by replacing Schedule "1-A".

Council Motion #0138-18

1. That Administration proceeds with the marketing plan for the Engle Business District Phase 2 subdivision lands, pursuant to the Land Administration By-law No. 4596, as amended.
2. That Council direct Administration to prepare a fire hydrant expansion plan, and that the fire hydrant expansion plan include an implementation and funding strategy.

Committee noted that applicable legislation, by-laws, studies or plans include:

1. *Cities, Towns and Villages Act* S.N.W.T. 2003, c.22;
2. *Community Planning and Development Act* S.N.W.T. 2011, c.22;
3. Community Plan By-law No. 5007;
4. Zoning By-law No. 5045;
5. Land Administration By-law No. 4596, as amended; and
6. Engle Business District Phase 2 Area Development Plan By-law No. 4931, as amended.

Legislative

Pursuant to Section 54 (2) of the *Cities, Towns and Villages Act*, the disposal of land must be authorized by a by-law specific to the subject lands.

Community Plan

The Community Plan designates the Engle Business District area as "Engle Industrial Business District." The primary planning and development objectives are to direct to lands



within the Engle Industrial Business District all new heavy industrial uses and encourage the relocation of existing heavy industrial uses from target areas; including Old Town, Old Airport Road, and Kam Lake. Businesses have relocated including Superior Propane and Deton Cho Landtran from Old Airport Road, Midnight Petroleum from Con-Negus Point, and Kavanaugh Bros. Ltd. from Kam Lake. A number of additional businesses are in the process of developing and relocating. Aside from heavy industrial uses, it is also intended to accommodate lower-impact industrial or light industries such as automotive repair and contractor services.

Area Development Plan

The subject lands are within the Engle Business District Phase 2 Area Development Plan boundary. The purpose of the Area Development Plan is to provide a location specific land use planning policy and technical guidance for the development of the area, including subdivision lot layout, general land uses, services, road networks, environmental protection, trail connections, open space network, and the phasing of development.

Zoning By-law No. 5045

All lots included in the Engle Business District Phase 2 disposal plan are currently zoned Industrial General. The intent of the zone is to provide an area for medium to heavy industrial uses including bulk fuel storage, truck staging and outdoor storage. Sensitive land uses, such as accessory residential use, would conflict with the industrial nature of the area and are not permitted.

Land Administration By-law No. 4596, as amended

The Land Administration By-law states that disposition of land shall be authorized by a by-law. It also provides regulatory direction for the sale of city-owned lands, establishing the price of lands, and the methods and terms for land disposition by the City. Land sale price is determined by the following factors: a market value appraisal, a detailed list of all anticipated development costs and carrying costs, and the anticipated revenue from each lot sale to support the Land Fund. The method of land disposal must occur via either a ballot draw, a call for development proposals, a public advertisement, or through a bidding process, some exceptions apply. Section 12 of the Land Administration By-law, allows consideration of requests to purchase land from the Federal or Territorial government or to a specific intended purchaser. Administration recommends public advertisement, for appraised value, as the method of disposal, to be consistent with the past disposal for lands in Engle and other industrial subdivisions.

Development Costs and Sale Price

Pursuant to the Land Administration By-law No. 4596, as amended, all development costs and off-site levies will be recovered by the City. As a reference, the 2017 construction of the Engle Business District Phase 2 subdivision resulted in 60 hectares of saleable land with an average sale price of \$ 254,000.00 per hectare for a total of \$15.3 million; the development cost is about \$164,000.00 per hectare.



For the remainder of Phase 2, a professional appraisal will inform the sale price for parcels of land in advance of the subdivision construction and marketing plan.

Land Development Fund

All aspects of acquiring, developing, and disposing of municipal lands are funded by the Land Development Fund. Development costs range from preparation of conceptual and comprehensive development plans to appraisals, legal survey and mapping work, and engineering and infrastructure installation. Recovery of all expenditures is accounted for in the sale of land in accordance with the Land Administration By-law. The current Land Development Fund balance can support the expected expenses to develop the remainder of Phase 2.

Land Development Fund	\$ millions
Current balance	\$ 11.0
Sum of all City lands inventory currently for sale	\$ 9.5
Committed costs to existing subdivisions (paving, trail development, fire suppression)	(\$ 6.8)

Industrial Land Demand and Supply

Current inventory of City-owned industrial land is limited. The Kam Lake-Enterprise Extension Light Industrial subdivision sold out in 2018 and the smaller-sized Business Industrial lots in the Engle Business District Phase 2 sold out in 2020. The following chart provides a summary of the City’s existing industrial land inventory.

Current Inventory of Industrial Lots	Lots Available
Kam Lake (size = 0.3 hectare)	0
Engle Business District Phase 2 (size = 0.5 hectare)	0
Engle Business District Phase 2 (size = 1 hectare & larger)	12

The proposed lots in Engle Business District Phase 2 are approximately 80 hectares of land. At full build-out, the area will provide up to 50 industrial lots. Land trends and inquiries indicate increasing interest in assembly of lots for larger development, to serve uses of truck staging yard, outdoor storage, storage facility, bulk fuel storage, and government facility. Consolidations of two or more contiguous lots to create a site that allows larger facilities and business operation is considered subject to the approval of the Director of Planning and Development before the sale. There is demand for half-a-hectare lots, intended for low-impact industrial uses, mainly located along Deh Cho Boulevard; there are no more lots available of this size in Engle, as shown in the chart above. Future considerations will be given to this growing demand.



Committee noted that the Community Plan policies support the area to be developed for heavy industrial uses, while accommodating a variety of other general industrial and accessory business industrial uses. Demand for industrial lands continues, heavy and light, to support growth in the City of Yellowknife. Therefore, enacting a disposal by-law in advance of subdivision construction enables the City to timely respond to future demands for industrial uses and accommodate appropriate land uses in the area. This will also make the remainder of Phase 2 subdivision construction viable and eventually replenish the inventory of industrial lands available within the City.

Committee recommended that By-law No. 5064, a by-law to dispose of Lots 12 to 16, 18 to 23, and 37 to 41 Block 908, Plan 4727 and a portion of Lot 84, Block 907, Plan 4727, be presented for adoption.

4. **Committee read a memorandum regarding whether to authorize the Mayor to travel to Ottawa, ON from February 7 – 10, 2023 to participate on the Federation of Canadian Municipalities (FCM) 2023 Sustainable Communities Conference (SCC) panel entitled Forging Renewed Relations for Reconciliation & Sustainability.**

Committee noted that Mayor Rebecca Alty has been invited to participate on a panel entitled Forging Renewed Relations for Reconciliation & Sustainability at the Federation of Canadian Municipalities (FCM) 2023 Sustainable Communities Conference (SCC) taking place in Ottawa, ON from February 7 – 10, 2023. Panelists are offered a \$1,500 honoraria to support the cost of travel and accommodations.

Committee noted that Council's policies, resolutions or goals include:

Policy 260-T1 A policy to outline the procedures for authorizing members of Council to travel for City related business.

Motion #0373-02 It is the policy of the City of Yellowknife that Members of Council submit a written travel expense claim together with a daily diary of activities while on City sponsored travel upon their return.

Committee noted that applicable legislation, by-laws, studies or plans include:

1. Council Remuneration By-law No. 4982, and
2. Financial Administration By-law No. 4206, as amended.

Travel authorization should be prioritized based on Council priorities and emerging opportunities, and should be approved by Council on a case-by-case basis in advance of each conference.

The cost estimate for attendance at the 2023 Sustainable Communities Conference is as follows:

FCM (Ottawa, ON) February 7 – 10, 2022

Accommodation \$ 984.39 (x 3 Nights)



Flights	\$ 926.65	(Return Flight)
Meals and Incidentals	<u>\$ 409.50</u>	(\$136.50 per day x 3 day)
Subtotal	\$ 2,320.54	
Honoraria	\$ - 1,500.00	
Total	\$ 820.54	

Committee noted that participating on the Federation of Canadian Municipalities (FCM) 2023 Sustainable Communities Conference (SCC) panel entitled Forging Renewed Relations for Reconciliation & Sustainability will allow Mayor Alty to advance Council's Goals and Objectives for our community.

Committee recommends:

- 1. That the Mayor be authorized to travel to Ottawa, ON from February 7 – 10, 2023 to participate on the Federation of Canadian Municipalities (FCM) 2023 Sustainable Communities Conference (SCC) panel entitled Forging Renewed Relations for Reconciliation & Sustainability.**
- 2. That Administration review and provide an update on Council Travel Authorization Policy.**

MOVE APPROVAL

(For Information Only)

5. Councillor Arden-Smith moved,
Councillor Fequet seconded,

That Committee move in camera at 12:31 p.m. to discuss a legal matter.

MOTION CARRIED UNANIMOUSLY

(For Information Only)

6. Committee discussed a legal matter.

(For Information Only)

7. Councillor Cochrane moved,
Councillor Fequet seconded,

That Committee return to an open meeting at 1:52 p.m.

MOTION CARRIED UNANIMOUSLY

(For Information Only)

8. There was no business arising from the in camera session.
9. The meeting adjourned at 1:52 p.m.