

Budget 2024 Consideration

Development Incentives By-law



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CITY OF
YELLOWKNIFE

Current By-law

- Provides tax abatement and grants
- Residential Intensification
- Industrial Relocation
- Brownfield Remediation and Development
- LEED (leadership in energy and environmental design)
- Heritage Preservation
- Integrated and Downtown Parking Structures

Current Incentives

- Tax abatement (full, declining or upfront)
 - Residential options are:
 - Full abatement for five years in primary area;
 - Declining abatement for five years in secondary area; or
 - Up-front year one abatement in primary area
 - Declining 5 year abatement for:
 - Brownfield, LEED and Parking
 - Declining 7 year abatement for:
 - Industrial Relocation
- Grant (50% up to \$50000) for Heritage Preservation

Funding for Development Incentives

- 25% of parking fees are allocated to fund the Development Incentives Program
- Contribution varies year to year
- Range from \$100,000 to \$150,000 per year
- Council passed a resolution in August 2022 for a one time addition of funding

Council Motion

Motion 0129-22 (August 22, 2022)

That Council direct Administration to:

- (i) Review all current development and business incentive programs offered by the City of Yellowknife, including the Development Incentive Program By-law No. 4534; and
- (ii) Bring forward recommendations for a comprehensive incentive program, funded from the Downtown Improvement Reserve, that facilitates development in the downtown.

Council Motion Continued

Motion 0141-22 (September 26, 2022)

Use the Revitalization Initiative Fund toward the development of City owned lands Downtown by contributing to the Land Fund to facilitate:

- Sale of 3 lots on 50th St (complete)
- Sale of 50/50 lot

Transfer \$2.275M from Revitalization Fund to the Land Fund to cover land values of the above lots

Transfer \$141K from Revitalization Fund to the Downtown Improvement Reserve to support Dev Incentives

Close the Revitalization Fund

Current Fund Liabilities

- Estimated approved incentives :
 - \$1.2 million dollars
 - Approved and not yet developed/built
 - All are tax incentives
- Estimated value of the Fund:
 - \$719 thousand dollars (year end 2023)

Process Update

- Review of Comparators (complete)
- Public Consultation Survey (complete)
- Option Generation (complete)
- Financial Fund Review (complete)
- Funding application for residential incentives (in process)

Next Steps

- Council to consider funding in Budget 2024 and beyond
- Options Presentation and Memo
- Draft By-law
- Public Review and Comment
- Repeal and Replace By-law