



CITY OF YELLOWKNIFE

GOVERNANCE AND PRIORITIES COMMITTEE REPORT

Tuesday, October 15, 2024 at 12:05 p.m.

Report of a meeting held on Tuesday, October 15, 2024 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, (12:09 p.m.)
Councillor T. McLennan,
Councillor S. Payne, and
Councillor R. Warburton.

The following members of Administration staff were in attendance:

S. Van Dine,
C. Caljouw,
D. Gillard,
C. MacLean,
W. Newton,
K. Pandoo,
K. Thistle,
C. White,
G. White, and
S. Jovic.

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

3. Committee heard a presentation from Jake Papineau, a representative from Urban Systems, regarding the City of Yellowknife Housing Needs Assessment update.

(For Information Only)

4. Committee read a memorandum regarding whether to repeal and replace Development Incentive Program By-law No. 4534, as amended, and whether to amend Financial Administration By-law No. 4206, as amended.

Committee noted that Development Incentives are used to facilitate new development, support redevelopment, and to encourage new residential, commercial and industrial development within the City of Yellowknife. Development Incentive By-law No. 4534, as amended, has produced limited success. Council directed Administration to develop a new by-law with the intent of creating a set of programs, stackable where possible, including abatements, grants and in-kind contributions.

Administration has completed a comprehensive review of all of the current incentive programs offered by the City; offered in other jurisdictions; as well as, the current funds and revenues for development incentives. In May 2024, Administration brought a menu of options to Governance and Priorities Committee for discussion and direction. The draft by-law reflects the direction provided, legislative authority, public consultation, the Housing Accelerator Fund (HAF) and is respectful of current funding.

Council's Strategic Directions, Budget and Community Plan form the basis for broad opportunities related to Downtown, Accessibility, Housing, Climate Change, Commercial, Industrial and Redevelopment initiatives. Development incentives, both monetary and in-kind, are provided by municipalities to encourage investment that might not otherwise happen and can be used to promote specific types of development and improvements in an identified area.

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

Strategic Direction #1:

People First

Focus Area 1.2

Housing for All

Doing our part to create the context for diverse housing and accommodation options.

Key Initiative 1.2.1

Setting the context and foundation for a fulsome continuum of housing options, from social to market to workforce accommodation.

Focus Area 1.3

Liveable Community

Supporting all residents to participate in the social fabric and physical space of our community.

Key Initiative 1.3.1

Providing affordable and diverse recreation and arts opportunities for residents.



Key Initiative 1.3.3	Supporting design standards that are multi-modal including recognizing Yellowknife’s advantages as a winter city.
Strategic Direction #3:	Sustainable Future
Focus Area 3.1	<u>Resilient Future</u> Enhancing Yellowknife as a great place to live, visit, work and play now and into the future.
Focus Area 3.2	<u>Growth Readiness</u> Ensuring land development supports economic readiness and community priorities.
Key Initiative 3.2.2	Completing land development tools and strategies that support growth readiness.
Key Initiative 3.2.3	Modernizing development incentive options.
Focus Area 3.3	<u>Robust Economy</u> Doing our part to stimulate and amplify economic development opportunities.
Motion #0129-22	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.
Motion #0141-22	That Council direct Administration to: (i) utilize the Revitalization Initiative Fund toward the development of City owned lands within the Downtown by contributing to the Land Fund to facilitate: a. selling Lots 8, 9, and 10, Block 31, Plan 65 (5016, 5018 and 5022 50th Street) for less than appraised value, pursuant to a Request for Proposal process; and b. selling Lot 34, Block 30 (50/50 Lot) for less than appraised values, pursuant to the Terms of Reference/Request for Proposal



attached to and forming part of the memorandum to committee dated September 12, 2022.

- (ii) transfer \$2.275 million dollars from the Revitalization Initiative Fund to the Land Administration Fund to cover the land value of the properties listed above;
- (iii) transfer \$141,000 dollars from the Revitalization Initiative Fund to the Downtown Improvement Reserve to support Development Incentives; and
- (iv) to close the Revitalization Initiative Fund.

Motion #0109-24

That Council direct Administration to bring forward a draft Development Incentive By-law to reflect the incentives in Table A.

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

1. *Cities, Towns and Villages Act S.N.W.T. 2003;*
2. *Community Plan By-law No. 5007;*
3. *Zoning By-law No. 5045, as amended;*
4. *Land Administration By-law No. 5078;*
5. *Development Incentive Program By-law No. 4534, as amended;*
6. *City of Yellowknife Vision for Downtown Revitalization;*
7. *Retail Revitalization Strategy;*
8. *City of Yellowknife Economic Development Strategy (2020-2024);*
9. *2010 Smart Growth Development Plan;*
10. *City of Yellowknife Visitor Services Strategy;*
11. *YKDFN/City Joint Economic Development Strategy;*
12. *Accessibility Audit Report & Implementation Strategy (2018);*
13. *Trail Enhancement and Connectivity Strategy Report (2018);*
14. *10 Year Plan to End Homelessness (2017);*
15. *Development & Design Standards (ongoing);*
16. *Corporate and Community Energy Action Plan (2015-2025); and*
17. *Yellowknife Downtown Façade Improvement Guidelines (2017).*

Committee noted that there are many properties vacant or underutilized with limited development interest throughout the city. When these properties sit vacant or underused, there are lost opportunity costs to the city and community. Examples include, tax revenue, development connected to municipal services help pay for the services (sewer and water), lack of housing and potential benefits to the adjacent lands, neighbourhood and community connectivity.

Financial Considerations

There is currently \$730,000 in the Downtown Development Reserve. Funding comes from a combination of: 25% of parking fees are allocated to fund the Development Incentives



Program By-law; and Council passed a resolution in August 2022 for a one-time addition of funding when the Revitalization Fund (\$2,416,000) is closed. The balance transfer from the Revitalization Fund to the Downtown Development Reserve will be ~\$141,000.

In April 2024, the Government of Canada announced the City of Yellowknife's successful application to the Housing Accelerator Fund. Specific funding is included to be dedicated to Development Incentives directly resulting in the construction of new dwellings. HAF specifically allocates funds for affordable and missing middle dwelling options through an incentives program. This equals approximately \$200,000 per year for four years. Additional HAF programs and allocations may be available as the City develops and implements the required initiatives.

Administration has included in the draft by-law that incentive options (not funded by HAF) in future years will be available based on funding. Funding will be a consideration for Council during future budget deliberations.

Committee noted that the options recommended incorporate priorities identified through Council's Strategic Directions, which support the Downtown, Accessibility, Climate Change, Housing, Commercial, Industrial, and Redevelopment. Administration supports and recommends all the options presented in By-law No. XXXX. The incentives incorporated into By-law No. YYYY are in our current by-law, and processes exist; funded through HAF; or there is money available in the current Downtown Development Reserve (to be renamed Development Incentive Reserve).

(For Information Only)

5. Committee recessed at 1:34 p.m. and reconvened at 1:45 p.m.
6. Committee continued its discussion regarding a memorandum regarding whether to repeal and replace Development Incentive Program By-law No. 4534, as amended, and whether to amend Financial Administration By-law No. 4206, as amended.

In response to a question from Committee, Administration undertook to provide the Downtown Development Reserve balance.

Committee referred the memorandum regarding whether to repeal and replace Development Incentive Program By-law No. 4534, as amended, and whether to amend Financial Administration By-law No. 4206, as amended, back to Administration. Committee requested a number of changes to the by-law and items for follow up to be brought forward to a future GPC meeting.

(For Information Only)

7. Committee accepted for information a memorandum regarding an update on the City's Corporate and Community Energy Action Plan 2015 – 2025 and the commencement of Climate Action Plan 2026 – 2036 project.



Committee noted on May 8, 2017, City Council adopted the Corporate and Community Energy Action Plan 2015 – 2025 (CCEAP), which is nearing the end of its term. The CCEAP was the second phase in the City’s long-term energy planning, the first being from 2006 to 2014. It is a 10-year energy roadmap supporting greenhouse gas (GHG) emission reduction targets, both corporate and community-wide. The previous update of the CCEAP was presented to Council in October 2020. Administration presented to Council the Ongoing Commitment to Climate Action in September 2021, which provided a summary to Council on actions undertaken by the City regarding climate change.

The four principles of the CCEAP are: (1) developing efficiency in heating systems, (2) diversifying energy profiles, (3) setting cost-effective strategies for GHG emission reduction, and (4) increasing long-term adaptability. In order to achieve these goals, the CCEAP has:

- 1) Established GHG emission reduction actions based on the City’s long-term aspirational targets of 100% renewable energy by 2050 (set out in the 2004 – 2014 Community Energy Plan);
- 2) Set targets for energy initiatives and energy-efficient capital projects both corporate and community-wide;
- 3) Fulfilled the reporting requirements of Milestones 2 (setting emission reduction targets) and 3 (developing a local action plan) of the Partners for Climate Protection Program.

Over the past 9 years, many CCEAP targets have been met through efforts made by the City and community, while some targets were not met. It is important to review and evaluate the successes and challenges of the CCEAP. Careful analysis of the lessons learned from the CCEAP is crucial to inform decision-making for the Climate Action Plan 2026 – 2036 (the Plan). Administration is initiating the Plan development in line with the federal and territorial legislation and strategies, and with consideration of the 2023 – 2026 Council Strategic Directions. The attached Update Report informs Council of a brief description and analysis of each target set in the CCEAP.

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

Strategic Direction #3:	Sustainable Future
Focus Area 3.1	<u>Resilient Future</u> Enhancing Yellowknife as a great place to live, visit, work and play now and into the future.
Key Initiative 3.1.1	Advancing energy initiatives, including district energy options to energy retrofits.

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

1. *Canadian Net-Zero Emissions Accountability Act S.C. 2021, c. 22;*
2. 2030 Emissions Reduction Plan – Canada’s Next Steps for Clean Air and a Strong Economy;
3. Pan-Canadian Framework on Clean Growth and Climate Change;



4. 2022 to 2026 Federal Sustainable Development Strategy;
5. Government of Northwest Territories 2030 Energy Strategy; and
6. 2030 NWT Climate Change Strategic Framework.

Relevant City plans:

1. Community Plan By-law No. 5007 (2020); and
2. Strategic Waste Management Plan (2018).

Past documents:

1. Ongoing Commitment to Climate Action, Council Administration Round Table, September 29, 2021;
2. 2015 – 2025 Corporate and Community Energy Action Plan, Midway Progress Report, October 19, 2020; and
3. Community Energy Plan 2004 – 2014.

7. In response to a question from Committee, Administration undertook to provide more information regarding GHG emissions for the waste sector (increase by 128 tonnes CO₂e).
8. Councillor Arden-Smith moved,
Councillor Hendriksen seconded,

That, pursuant to Section 118 (11) of Council Procedures By-law No. 4975, as amended, the meeting be extended beyond three (3) hours.

MOTION CARRIED UNANIMOUSLY

(For Information Only)

9. Committee discussed a Councillor leave request.

Councillor Fequet requested a temporary, unpaid, four month Leave of Absence from City Council from January 2025 to end of April 2025. Councillor Fequet stated that last year was challenging for his family, particularly his children, and this request is to allow for him and his wife to focus on their family. Councillor Fequet stated that he has reviewed different municipalities whose policies vary, and noted that some provide for automatic approval for medical and parental leave and noted that some provide for personal leave, approval of which is on a case-by-case basis.

(For Information Only)

10. Councillor Fequet excused himself from the meeting at 3:05 p.m. to allow Committee to debate his request.
11. Committee continued its discussion regarding the leave request and debated the merits of approving such a request. Committee noted that the City currently does not have a policy in this regard, however the Council Procedures By-law states that any Member absent for three (3) consecutive regular meetings of Council, without Council's permission by



resolution passed at a regular meeting of Council, shall be deemed to have resigned. Committee noted that Councillor Fequet's request could impact quorum; Committee Membership; Council business; meetings with constituents; and set a precedent for future requests. Committee further noted that while remote participation can be accommodated from time to time the challenge is that remote participation over six months would prevent participation in other aspect of the work of Council. Committee noted that Councillor Fequet intends to gather public feedback regarding his request prior to the next Council meeting and formal decision regarding this matter.

Committee recommended that Council not grant Councillor Fequet permission to be absent for three (3) consecutive regular meetings of Council.

(Councillor Fequet subsequently withdrew this request at the October 21, 2024 Governance and Priorities Committee meeting.)

8. The meeting adjourned at 3:35 p.m.