



CITY OF YELLOWKNIFE

GOVERNANCE AND PRIORITIES COMMITTEE REPORT

Monday, November 18, 2024 at 12:05 p.m.

Report of a meeting held on Monday, November 18, 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, (12:20 p.m.)
Councillor T. McLennan, (via teleconference)
Councillor S. Payne, and
Councillor R. Warburton.

The following members of Administration staff were in attendance:

S. Van Dine,
D. Gillard,
C. Greencorn,
R. Johnson,
C. MacLean,
K. Pandoo,
C. White,
G. White, 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 conflict of interest.
3.	(For Information Only) The 2024 Salvation Army Christmas Kettle Kick-off took place.



(For Information Only)

4. Committee heard a presentation regarding the 2024 Work Plan Update.
5. In response to a question from Committee, Administration undertook to bring a revised Work Plan forward in Q1 2025 after Budget deliberations.
6. **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 on October 15, 2024 Administration provided a draft Development Incentives By-law and draft amendment to the Financial Administration By-law No. 4206, as amended, to Governance and Priorities Committee (GPC). All documents have been reviewed and updated, where appropriate, to incorporate recommendations and considerations provided at the meeting.

Committee was provided with the updated draft Development Incentives By-law and a chart outlining considerations, recommended changes and explanations.

Administration was requested to reconsider the financing of Development Incentives outside of the Downtown “DT” Zone. The Downtown Development Reserve was created to support development within the downtown, and is funded through 25% parking meter revenue.

It was recommended that a new fund be created for Development Incentives in other areas of the city and utilize the remaining \$141,000 (estimated) in the Revitalization Initiative Reserve.

An alternative solution is proposed. It is recommended that the Revitalization Initiative Reserve not be closed, and that it be added to the Financial Administration By-law to fund Development Incentives and specific land sales.

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

Strategic Direction #1:

Focus Area 1.2

People First

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: <ul style="list-style-type: none">(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: <ul style="list-style-type: none">(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).



Legislation

The *Cities, Towns and Villages Act, S.N.W.T., 2003, c.22, sections 70 and 72*, provides municipalities with the authority to adopt a Development Incentive By-law. The by-law provides procedures, terms, and conditions to incent development, redevelopment, relocation and housing initiatives.

Section 101(3)(d) of the *Cities, Towns and Villages Act, S.N.W.T., 2003, c.22* requires that, in respect of each fund established, Council shall by by-law, create and describe the specific purposes of any reserves that will be created under the fund.

Financial Considerations

It is not recommended that an additional reserve be created to fund Development Incentives in areas outside the Downtown “DT” Zone. Currently, Administration has four funds/reserves to support different aspects of the Development Incentives By-law. The creation of a fifth reserve adds financial and administrative burden to the process.

Abatements are funded through the *General Fund*, this amount is reviewed and adjusted each year based on the applications received.

In April 2024, the Government of Canada announced the City of Yellowknife’s successful application to the *Housing Accelerator Fund*. Specific funding is 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.

There is currently \$747,000 (est. December 2024) in the *Downtown Development Reserve*, of which some of the funding may be used for Development Incentives within the Downtown “DT” Zone. 25% of parking fees are allocated to fund these; and Council passed a resolution in August 2022 for a one-time addition of funding when the Revitalization Fund (\$2,416,000) is closed (see Revitalization Initiatives Reserve below).

All directions from the 2022 *Revitalization Initiatives Reserve* motion #0141-22, have not been completed and therefore the reserve remains active. The motions directed that once two properties were sold, money was to be transferred to the Land Development Fund, the remaining money was to be transferred to the Downtown Development Reserve and the Revitalization Initiatives Reserve was to be closed. A purchase agreement has been entered into for the lots 8, 9, and 10, Block 31, Plan 65 (5016, 5018 and 5022 50th Street) and once the transaction is complete, \$825,000 will be transferred from this reserve. The sale of Lot 34, Block 30 (50/50 Lot) has not been successful to date. It is recommended that the approximately \$141,000 not tied to the sale of a city owned lot be used in the mean time for Development Incentives in areas outside of the Downtown.

Administration has included in the draft by-law clear language 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. At this time, there is enough money between the four existing funds to support the Development Incentives program in 2025.

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. 5097. The recommended incentives; funded through the General Fund, Housing Accelerator Fund, Downtown Development Reserve and the Revitalization Initiatives Reserve; have adequate funding for 2025. Additional funding will be considered for 2026 and beyond.

Committee requested an amendment to the "Affordable Housing Rental" definition in the Development Incentive By-law.

Committee recommended:

1. That By-law No. 5097, a by-law to repeal and replace Development Incentive Program By-law No. 4534, as amended, be presented for adoption;
2. That By-law No. 5098, a by-law to amend Financial Administration By-law No. 4206, as amended, be presented for adoption; and
3. **That Council direct Administration to utilize the Revitalization Initiative Reserve toward Development Incentives and the development of City owned lands by contributing to the Land Fund to facilitate:**
 - a. **selling Lot 34, Block 30, Plan 2564 (50/50 Lot), pursuant to the Terms of Reference/Request for Proposal;**
 - b. **retain the remaining \$1,591,000 dollars in the Revitalization Initiative Reserve to:**
 - i. **support the sale of Lot 34, Block 30, Plan 2564; and**
 - ii. **fund and support Development Incentives;**
 - c. **the Revitalization Initiative Reserve is to remain open.**

(For Information Only)

7. Committee read a memorandum regarding whether to adopt a Sponsorship and Naming Rights Policy.

Committee noted that the City of Yellowknife has been desirous of exploring innovative ways of generating revenue to offset the costs of operating facilities, programs and events for many years. Commencing in the latter part of the last century the City has been successful in generating revenue through the sales of advertising within facilities. As the number of facilities grew so did the success of the sales of advertising space. In the early stages of the current century with the addition of the Multiplex a community based organization, Facilities for Kids undertook the sales of advertising space on behalf of the City to generate funds to assist in offsetting the capital costs of the facility. This spawned a large interest in other City facilities including broader sponsorship opportunities. As these requests expanded, it became clear that the sophistication of the work and the workload



made it impossible to be done off the side of a staff's desk. This resulted in securing a contractor to carry out the work on behalf of the City. This contract was terminated in 2023.

The desire to continue to explore and expand innovative ways of generating revenue for the City was revived with the development of the Aquatic Centre. Utilizing the experience gained through past sponsorship contractors, and with input from other City Departments, including Economic Development and Strategy (EDS) and City Clerk, a Request for Proposals process was launched to continue seeking revenue. To ensure that the draft Sponsorship and Naming Rights Policy reflected current and up-to-date practices within other municipalities, the City Clerk carried out research of similar policies from other municipal jurisdictions. In addition, EDS staff provided input into the development of the contract for the sponsorship contractor, as well as assisting in the review/development of the draft Policy.

Through a competitive process, the City has recently awarded a contract to Arts & Communication Counselors Inc. (A&C) for the purpose of selling sponsorship and naming rights for City facilities, programs and events with a primary focus on the Aquatic Centre. The scope of work includes, among many other items, a review of the draft Sponsorship and Naming Rights Policy. The purpose of the review is to provide comments and recommend changes to the draft to ensure that it is current, meets industry standards among municipalities and reflects a professional approach to securing and retaining sponsors and naming rights for City facilities, programs and events.

A&C have proposed a work plan that includes:

Asset & Policy Review	1 month
Development of Pricing & Benefit Strategy	1.5 months
Prospecting & Packaging	2 weeks
Sales and Negotiations	4 to 6 months

Following the final approval of the Sponsorship and Naming Rights Policy, the remaining key activities listed in the A&C work plan will be undertaken.

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

Strategic Direction #1: People First

Key Initiative 1.3.1 Providing affordable and diverse recreation and arts opportunities for residents.

Strategic Direction #3: Sustainable Future

Focus Area 3.1 Resilient Future
Enhancing Yellowknife as a great place to live, visit, work and play now and into the future.

Focus Area 3.3 Robust Economy



Doing our part to stimulate and amplify economic development opportunities.

Financial Considerations

Over the past 6 years, the City has generated a net profit of \$435,879 in advertising sales and sponsorship in City facilities including the Ruth Inch Memorial Pool, Community Arena, Multiplex and Fieldhouse.

Corporate Impact

With Council's approval of the Sponsorship and Naming Rights Policy the City's reputation will be protected through the Guiding Principles contained in the Policy. There are specific Guiding Principles contained in the policy to ensure that the City's goals, objectives, values and mandate are upheld to the highest standards.

Departmental Consultation

The City Clerk and the Department of Economic Development and Strategy have been key in the development of the revamped process of securing a contractor to solicit sponsors and those interested in pursuing naming rights for City facilities, programs and events.

Committee noted that the Sponsorship and Naming Rights Policy will allow the City to generate funds by providing opportunities within City of Yellowknife recreation facilities for potential partners to be recognized in exchange for financial considerations. The Policy will ensure that all sponsorship and naming rights arrangements will be carried out in a clear and consistent manner with set guidelines and procedures.

Staff from several City Departments have provided key input into the research and development of the proposed policy. Arts & Communication Counselors Inc. have also reviewed the proposed policy, and both have provided key input to ensure that the Policy reflects the current trend with similar policies in municipal settings and a modern approach to securing sponsors.

With the development of the Aquatic Centre near completion, the City has been approached by members of the business community expressing interest in pursuing sponsorship type opportunities. The Sponsorship and Naming Rights policy will allow for these opportunities to be further explored.

(For Information Only)

8. Councillor Arden-Smith left the meeting at 1:07 p.m.



(For Information Only)

9. Committee continued its discussion regarding whether to adopt a Sponsorship and Naming Rights Policy.

Committee referred the Sponsorship and Naming Rights Policy back to Administration. Committee requested a number of changes to the policy and items for follow up to be brought forward to a future GPC meeting.

10. **Committee discussed a leave policy.**

Committee noted that currently members of Council must not be absent from regular City Council meetings for more than (3) three consecutive regular meetings of Council unless authorized by a resolution of Council. Committee further noted that historically, members of Council have not required a resolution of Council because leave to run in a territorial election and other leaves have not been longer than (3) three consecutive meetings. Committee noted that no leaves of longer than (3) three consecutive meetings have been taken. Committee noted that members of Council have taken leaves of shorter duration including leaves to run in a territorial election. Committee noted that, in pursuit of a more diverse and inclusive government, a Council Leave Policy should be created to reduce any barriers to participation and to allow for different types of leave for different durations by members of Council. Committee requested that a Council Leave Policy include the following provisions: parental leave, medical leave and leave to run for another office.

Committee recommends that Administration draft a Council Leave Policy and present it to Council prior to the next election.

MOVE APPROVAL

(For Information Only)

11. Committee recessed at 1:22 p.m. and reconvened at 1:32 p.m.

(For Information Only)

12. Councillor Warburton moved,
Councillor Cochrane seconded,

That Committee move in camera at 1:32 p.m. to discuss a land matter.

MOTION CARRIED UNANIMOUSLY

(For Information Only)

13. Committee discussed a land matter.



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- (For Information Only)
14. Councillor Fequet moved,
Councillor Warbuton seconded,

That Committee return to an open meeting at 2:13 p.m.

MOTION CARRIED UNANIMOUSLY

- (For Information Only)
15. There was no business arising from the in camera session.
16. The meeting adjourned at 2:14 p.m.