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Mayor Rebecca Alty and City of Yellowknife Councillors  
PO Box 580  
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November 18<sup>th</sup>, 2019

**Re: City of Yellowknife 2020 Draft Budget**

Dear Mayor Alty and City of Yellowknife Councillors,

The Yellowknife Chamber of Commerce takes pride in the positive relationship and successful partnerships that have been developed between the City and the Yellowknife Chamber. It is in this spirit that we bring forward our comments on the City of Yellowknife's 2020 draft budget.

We'd like to start by acknowledging the financial pressures that the City of Yellowknife faces. We understand that the cost of goods and services are continuously increasing, that regulatory burdens require substantial investment for compliance, and the City must also account for inflation. We would like to remind Council that these are the same financial pressures that Yellowknife businesses and residents must face and adapt to.

In short, an 8.48% property tax increase is completely unacceptable to the Yellowknife business community.

The 2020 draft budget projects that the City will generate 19.97% more in taxation revenue than in 2018, with overall expenditures increasing by 16.84%. During this time frame, the City's population has remained relatively stagnant<sup>i</sup>. We understand that new infrastructure such as residential developments increase costs for the City, but we feel that the City has begun to over-service our small community.

When it comes to the proposed Aquatic Centre – we support the development of a new pool, but it must be the most affordable option that meets the needs of our community. A \$49.8 million facility with projected annual operations and maintenance of \$3.2 million is an unreasonable ask for a population of 20,000 to bear. City Council can expect the Yellowknife Chamber to continue to be engaged throughout this process, and we will be encouraging our members to consider the long-term financial implications of the proposed Aquatic Centre and vote accordingly in the upcoming referendum.

The Yellowknife Chamber of Commerce fully supports much-needed social programming like street outreach and the day shelter, however, as these fall outside of the City's mandate, we feel it is important for the City to work with the GNWT to shift the approximately \$600,000 financial burden to the Territorial Government. We are optimistic that this can be achieved given that "increase[ing] the number and variety of culturally respectful, community-based mental health and addictions programs, including aftercare" is one of the Priorities of the 19<sup>th</sup> Legislative Assembly<sup>ii</sup>.

When reviewing the General Fund, O&M expenditures are up 3.46% - a figure we agree is reasonable, especially considering that the CPI is 1.9% and we're aware that the MPI is much higher. We're also pleased to see that wages and salaries account for 30% of expenditures, a decrease over 2019. However, total expenditures in the General Fund have increased by 7.1%. Representatives from the YK Chamber have participated in budget deliberations for the last 6 years and we've noticed that in an effort to cut costs, Council spends a substantial amount of time considering Capital projects but very little time examining the General Fund. We encourage Council to scrutinize the General Fund to ensure that adequate resources are allocated, and to seek potential cost savings opportunities.

As we strive to take a balanced approach in our feedback, we would like to congratulate the City on increasing grant funding, which is up 29.65%. Our understanding is that the Grant Writer and Funding Analyst position was for a 2-year term and we'd like to encourage Council to consider making this a full-time, permanent position.

In reviewing the list of Capital Projects, we'd like to express support for Council Chambers Audio Visual Equipment & Webcasting (pg. 129). We feel that AV equipment is important for transparency, but we do question whether there are more cost-effective solutions, as \$185,000 seems unnecessarily expensive. We are also wholeheartedly in support of the Parking Structure Feasibility Study (p.163) – which we believe complements our Community Plan recommendation to reduce parking requirements in the downtown core, while ensuring there is adequate parking for residents and tourists to visit businesses.

We would like to voice our opposition for Traffic Light Upgrades (pg.184). We question whether this is a necessary project in a time of fiscal restraint. Furthermore, a 2013 study published in the Journal of Injury Prevention,<sup>iii</sup> analyzed 1965 intersections over a 10-year period and found that there was a 26% increase in vehicle-pedestrian collisions once countdown pedestrian timers were installed. The study concludes that pedestrian countdown systems may have the unintended consequence of increasing collisions as the driver, pedestrian, or both may choose to enter an intersection when there is inadequate time for safe crossing.

We'd also like to flag Lagoon Control Structure Replacement (pg.155), which we understand is a critically important project. Our concern is not with the project itself, but rather the approach taken by the City of Yellowknife when seeking opportunities to increase sewage lagoon capacity. Our understanding is that a long-time business was displaced when the City refused to renew their lease. Fortunately, the business was able to find an alternative location – but we urge the City to be more mindful of the impacts of displacing businesses.

In closing, when property taxes, water and sewage user fees, and fees to access facilities increase – so does the cost of living in Yellowknife. We'd like to remind Council that this is one of the most important issues facing the Yellowknife business community and we urge Council to demonstrate financial restraint during the upcoming budget deliberations.

Respectfully submitted,



Deneen Everett  
Executive Director



Kyle Thomas  
President

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<sup>i</sup> NWT Bureau of Statistics. (2018). *Population Estimates By Community*. Retrieved from: <https://www.statsnwt.ca/population/population-estimates/bycommunity.php>

<sup>ii</sup> Government of the Northwest Territories. (2019). *Priorities of the 19<sup>th</sup> Legislative Assembly*. Retrieved from: <https://cabinradio.ca/wp-content/uploads/2019/10/Priorities-of-the-19th-Legislative-Assembly.pdf>

<sup>iii</sup> Richmond, S., Willan, A., Rothman, L. et al. (2013). *The impact of pedestrian countdown signals on pedestrian-motor vehicle collisions: a reanalysis of data from a quasi-experimental study*. Journal of Injury Prevention 2014;20:155-158.