

Mayor Rebecca Alty and City of Yellowknife Councillors
PO Box 580
Yellowknife, NT
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April 25, 2023

Re: Housing and land use planning

Dear Mayor Alty and City of Yellowknife Councillors,

The Yellowknife Chamber of Commerce was happy to see land use planning discussions at GPC on January 16, as addressing housing shortages and pursuing population growth opportunities are two of our members' top priorities. Despite these discussions, however, we remain concerned that the proposed initiatives are inadequate to meet both short-term and long-term demand for housing in Yellowknife.

Our city needs a better approach to bringing land to market for development. In the 2019 Community Plan, the City set out its intention to sell the few residential lots in its inventory in 2020 and then to bring a handful of infill lots to market in the Central Core, Residential Central and Niven Residential areas in 2021 and 2022, and then at some undetermined future point to consider the development of the Con Redevelopment Area. Not only is this plan several years behind schedule, selling out of residential lots for even a short period of time has impacts on the housing market and on the home-builder sector from which recovery is not a simple task.

As it stands today, employers who are attempting to bring skilled workers to Yellowknife, especially those with larger families, are hampered by their potential recruits' inability to either buy or build the type of housing they desire. In other northern jurisdictions we are seeing planning for housing and growth commensurate with demand. In December, the Yukon Government announced a \$2.5million loan agreement with Chu Níikwán Limited Partnership, the Kwanlin Dün First Nation's development corporation, for the first of three phases of a residential development in support of a larger project expected to create upwards of 150 units¹. The Yukon Government, earlier this month, also completed a ballot draw for 83 single family, 33 townhouse and 4 multi-family lots in the Whistlebend neighbourhood of Whitehorse – part of a decade-long plan to bring over a thousand residential lots to market. Our neighbours in Hay River have just published their housing strategy which has the potential to bring 140 housing units to market over five years². In Yellowknife, however, despite strong demand and rising home prices, land development discussions have centred around modest infill proposals with the potential to bring only a handful of lots to market in the near term. The infill discussion is promising but falls short of the requirement to look ahead to future growth potential.

We acknowledge and applaud the City's review of the Zoning Bylaw to open opportunities for the redevelopment and densification of existing neighbourhoods. We have concerns that uptake will not be strong, due to the high cost of purchasing and redeveloping land, the low availability of older homes that are suitable for demolition and the high cost of assembling contiguous lots for larger projects. In addition, we are concerned that targets for these densification efforts have not been set, which will make it challenging for the City to quantify the effectiveness of infill as a tool for meeting housing demand.

¹ <https://www.yukon-news.com/news/yg-announces-2-5m-loan-for-residential-land-development-on-kdfn-land/>

² <https://cabinradio.ca/126251/news/housing/hay-river-unveils-housing-plan-for-the-next-five-years/>

We also acknowledge that housing projects currently under construction have the potential of adding over 150 units to the market over the next two years, but these projects are all focussed on the rental-apartment end of the housing spectrum. Demand for larger and lower density housing is very strong, and the development of new mixed-density neighbourhoods to meet this demand requires years of planning.

We are also concerned about messaging around the development of new or “greenfield” neighbourhoods. Yes, new neighbourhoods come with higher infrastructure costs than infill lots, but they also bring an expanded tax base, expanded customer base for businesses, increased federal transfer payments and many other benefits. The cost structure of developing new neighbourhoods has not changed, but for some reason these costs seem to have become the dominant consideration in land development discussions. Had this been the case in the past, neighbourhoods like Range Lake North and Niven Lake would never have been built and Yellowknife would not have captured the benefits of the diamond boom over the last thirty years. Costs are an important consideration, but just like building recreational facilities and the myriad of other City spending decisions, they are not the only consideration.

With respect to the five parcels of land that Council has directed administration to initiate the planning applications for, we strongly urge Council to amend the Community Plan to change the sequencing of proposed developments to prioritize the Taylor Road and Niven Phase 8 parcels before the others listed (Burwash Drive Con Road, School Draw, Niven Drive). The City likely does not have the planning capacity to pursue several projects at once, so clear direction on project sequencing is advisable. The Taylor Road and Niven Phase 8 parcels possess the most potential in terms of larger scale development, which will present opportunities for builders to achieve economies of scale, resulting in lower construction costs, and which will elicit the least amount of outcry by homeowners not keen on development in their neighbouring green spaces.

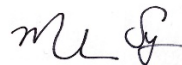
In addition to prioritizing the above, we urge Council to adopt a longer-term lens when considering issues of development and land use. Yellowknife has historically had a hard time attracting and keeping developers and home builders and one reason for this is that Council hasn't provided clear guidance on the availability of developable land far enough into the future. Selling out of developable land and failing to project beyond a year or two sends a strong signal to the home building sector that Yellowknife is not a good place to do business.

In closing, in addition to the recommendations above we ask the City to improve transparency around its block land transfer request from the Government of the Northwest Territories. It is not clear to our members whether the delays are due to GNWT reluctance to transfer the land or City reluctance to receive it. This endeavor seems to be taking a disproportionate amount of time to complete.

We believe now is the time for this new Council to set out a strategic direction for housing in our city and move on from the idea that infill is the best option at hand. We look forward to working with you in the future and would be happy to meet with Council members or administration to talk more about housing and land use in Yellowknife.



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