

Economic Development Strategy 2020-2024:

Annual Report 2022

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1.0 INTRODUCTION

The purpose of this document is to provide a report of annual progress made in implementing the City of Yellowknife's (the 'City') Economic Development Strategy 2020-2024. The report contains details surrounding inputs, activities, outputs and outcomes of work undertaken by the City to promote economic development in 2022.

The report is separated into various sections guided by the following graphic from the Economic Development Strategy 2020-2024 (p.37) outlines the types of indicators that can be included in each category and is contained within this annual report. Included at the end is a brief overview of actions taken in accordance with the Economic Development Strategy 2020-2024 – Implementation Plan.



2.0 INPUTS

The City of Yellowknife's Department of Economic Development and Strategy is responsible for completing the Annual Report to the Mayor's Task Force on Economic Development and ongoing work in the implementation plan, unless otherwise noted. Staff time has been spent implementing activities and steps outlined in these documents and plans.

2.1 Staff time and Main Projects

The City had a term Economic Development Officer until July 2022. Like most places in Canada and the Northwest Territories, hiring and retaining staff has been difficult for the City. The position remained vacant from as of December 31, 2022, resulting in a shared responsibility amongst other roles in the Department to ensure work could be completed. The former Manager of Economic Development and Communications left the role in October and it remained vacant until December 2022. This resulted in a lessened capacity for the Department to complete all the intended key tasks, although movement was made on many of them.

The 2022 Municipal Election took an abundance of the Department's time from July to September to facilitate the communications necessary. During that time, the Department's efforts were focused on getting information to the public and completing the final touches for the opening of the new Visitor Information Centre, which happened in mid-September.

The Economic Development and Strategy Department continues to work on supporting local organizations and business development as well as the implementation of the Department's strategies and programs including:

- Wayfinding Strategy
- GROW Yellowknife Food and Agriculture Strategy
- Yellowknife Visitor Services Strategy
- Yellowknives Dene First Nation and City of Yellowknife Joint Economic Development Strategy
- Economic Development Strategy 2020-2024
- Shop Local Initiatives
- Visitor Centre Relocation Work
- Business Licence Fee Waiver and Business Services Grant
- Updating the Tourism Strategy
- Downtown Revitalization Strategy
- Memorandum of Understanding with the Mineral Resources Sector

Major projects the Department undertook related to economic development in 2022 was:

- Continuation of Covid-19 Business Services and Business Fee Licence Waiver Grants;
- Opening of the new Visitor Information Centre in the Centre Square Mall;

- Shop local campaigns;
- Entrepreneurship Week;
- Working with YKDFN to make progress on the Joint Economic Development Strategy;
- Working with local growers to help secure funding for Summer 2023 agriculture programs;
- Preparation of two final Covid-19 Grants a Festivals and Events Grant and a Business Recovery Grant;
- Meeting with various levels of government and Indigenous governments, as well as partners, to continue projects and share ideas.

2.2 Funding

In 2022, funding was acquired for various work the Department was undertaking to implement the Economic Development Strategy 2020-2024 and goals within the Implementation Plan. This included funding from the Canadian Northern Economic Development Agency for work to renovate a new space for the Yellowknife Visitor Information Centre in the Centre Square Mall. The Department also received funding from the Government of the Northwest Territories Industry, Tourism and Investment (ITI) for that project, assisting with not only increased operating and maintenance funding, but also additional funding for the gallery space.

The City also received money from ITI to work in partnership with the Yellowknife Chamber of Commerce to host several shop local campaigns throughout the fall and winter and host Yellowknife's first Entrepreneurship Week.

Final bouts of Covid-19 funding from the Government of Canada to assist businesses throughout the pandemic was also received and spent. In 2021, the Government of Canada provided COVID Safe Restart Funding to the municipality. In October 2022, Council directed the Department to finish spending those funds in the amount of \$260,000 through the continuation of grants that would support local businesses and grants. Of this, the Business License Fee Waiver program was extended, and two new grants – the Festivals and Events COVID Grant and COVID Business Recovery Grant – are in the works of being created.

3.0 ACTIVITIES

The Department undertook various activities in 2022 that were in accordance with the City's economic strategies and implementation plans approved by Council and within the scope of the Department's mandate.

3.1 Progress Made against Planned Activities

On March 14, 2022, Council gave first reading to By-law No. 5008, a by-law to amend Business Licence By-law No. 3451, to regulate short-term rental accommodations to ensure the definitions of hotel, motel and short-term rental accommodation are consistent with Zoning By-

law No. 5045. This action aims to grow and diversify Yellowknife's economy and deliver efficient and accountable government. Throughout 2022 the Department worked to develop a regulatory framework for short-term rental accommodations..

On <u>March 28, 2022</u>, Council amended the terms of reference for the Mayor's Task Force on Economic Development to extend its terms to December 31, 2024.

On April 11, 2022, the City approved the draft Reconciliation Action Plan for public review and engagement. Council identified Reconciliation with Indigenous peoples as one of its core values in Council's 2019- 2022 Goals and Objectives. Prior to that, Council had adopted the United Nations Declaration on the Rights of Indigenous Peoples in 2015 as part of its response to the Truth and Reconciliation Commission of Canada's Calls to Action (Motion #0324-15). Preparing a Reconciliation Framework and Action Plan has been a continuation of this work.

On <u>April 25, 2022</u>, Council passed a memorandum to adopt the proposed Implementation Plan for recommendations in the Yellowknives Dene First Nation (YKDFN) and City of Yellowknife Joint Economic Development Strategy (JEDS). The JEDS consists of three strategic directions, with suggested actions, that were chosen based on their potential impact, actionability and achievability.

At a Special Meeting of Council on <u>June 6, 2022</u>, Council agreed to enter into a Memorandum of Understanding with the GNWT and Aurora College regarding the location of a Polytechnic University Yellowknife Campus.

On <u>August 8, 2022</u>, Council directed Administration to bring forward an updated development incentive program to facilitate development in the downtown to be funded by the Downtown Improvement Reserve. This action aims to grow and diversify Yellowknife's economy, ensure high quality of life for all, including future generations, and driving strategic land development and growth opportunities.

On <u>September 6, 2022</u>, the Department presented to Council its 2021 COVID Safe Restart Funding Grant Report. In 2021, the City entered into a Transfer Agreement for \$708,060 in funding intended to assist municipalities safely restart their economies and become more resilient to possible future surges in cases of COVID-19. From June 2021 to September 2022, the Economic Development & Strategy department created four grant programs ranging from \$5,000 to \$10,000. Each grant was developed to help an area essential to functioning small and medium-sized businesses.

On <u>September 12, 2022</u>, to support revitalization of the downtown, Council approved the sale of the 50/50 Lot for less than appraised value.

On <u>September 19, 2022</u>, Council adopted the Arts and Culture Mater Plan as prepared and directed Administration to use the plan for long-term decision-making and investment in arts and culture.

On <u>September 26, 2022</u>, in response to a request for input from the Government of the Northwest Territories, Council directed Administration to write a letter outlining the City's interests and considerations related to any 'Future Yellowknife Airport Development 20-Year Master Plan' options. a

On October 24, 2022, Council directed Administration to utilize the remaining 2021 COVID Safe Restart Funding (approximately \$260,000) by developing a variety of COVID Recovery Grant programs. This resulted in the continuation of the Business Licence Fee Waiver Program being extended from September 1, 2022 to August 31, 2023 (in the amount of \$30,000). Two new grants were also directed, the Festivals and Events COVID Recovery Grant Program (\$30,000) and the COVID Recovery Business Grant Program (\$200,000).

3.2 Departmental Work

3.2.1 Tourism

(i) Reopening of the Yellowknife Visitor Information Centre

The City opened its new Yellowknife Visitor Information Centre, a major project for the Department, in September 2022. The Centre has had between six and seven staff members and welcomed 7,702 visitors from September 13, 2022, to December 31, 2022. The highest amount of visitors was in December 2022 with 2,352, although September 2022 would have surpassed it if it had been open the entire month (it was open 18 days and saw 2,137 visitors). 2023 will provide better statistics on the Visitor Information Centre, as it will include the entire year and staff have a dedicated system for recording various information. The non-commercial art gallery in the Visitor Centre also had its grand opening event. This gallery features NWT artists and will be changed quarterly.

The Visitor Information Centre received funding from a variety of sources, including the Canadian Northern Economic Development Agency and the GNWT Department of Industry, Tourism, and Investment, and the City. This facility also supports the City's Downtown Revitalization Plan, as it was strategically placed in the Centre Square Mall to get visitors to that area of town. The City has partnered with Sarah Swan to curate the gallery.

(ii) Tourism Strategy

The City completed work on a RFP for its Tourism Strategy, which was awarded in 2023 and will be completed by September 2023. This strategy will provide key actions the City can take to support the industry and strengthen Yellowknife's position as a destination for tourism. Many local stakeholders will be consulted throughout this process. More information on this report

and how information is gathered will be included when it is presented to Council and in the 2023 report. The City received funding from the Government of the Northwest Territories Department of Industry, Tourism and Investment for this project.

(iii) Tourism Projects Moving Forward

In December 2022, the City applied for funding from the Government of the Northwest Territories Department of Industry, Tourism and Investment to upgrade the AuroraMAX display at the Visitor Information Centre. The current display is past its expected lifespan and an updated version will benefit tourism year-round. It will include an interactive display and kiosks in multiple languages that will allow for more tourist interaction and knowledge. This project will be completed in 2023 with an official launch date expected in early 2024.

3.2.2 Local Partnerships

(i) Shop Local Campaigns

The City continued its work with supporting local businesses through hosting a variety of campaigns. The Department hosted its Get Out and Eat week in February, 2022 Entrepreneurship Week, Shop YK Day and Shop Local Bingo also ran in the fall and winter of 2022, despite not having an Economic Development Officer to conduct this work.

Get Out and Eat was hosted in February 2022. – There were 312 entries at 33 participating establishments for a total spend of \$6,240.00.

The City hosted its Shop YK Bingo from November 14 – December 9, which sees the City partner with the Yellowknife Chamber of Commerce. 39 businesses participated in the program in 2022. Residents were encouraged to shop local at different types of businesses and get stamps depending on purchase size.

Made in Yellowknife Day was hosted on December 10, 2022. This annual project sees residents shop at local businesses and from local artisans before the holiday period. Residents then submit receipts to the City to prove proof of purchase over \$20 to be entered to win one of a number of local prizes.

The City also hosted its first Entrepreneurship Week in collaboration with the Chamber of Commerce. This project saw local organizations offering workshops and hosting social events to help entrepreneurs and the business owner network. The City will expand on the successes of this week in 2023, and incorporate feedback on changes that can be explored. The City partnered with Akaitchho BDC, Makerspace YK, Inspire NWT and Small Economy Works, and BAC Up North to host workshops.

(ii) Agriculture and Fishing

The City worked to support agriculture initiatives, like the Farmer's Market, through providing funding for the organization. The City applied for, and received, funding from Industry, Tourism

and Investment, to develop a program that provides vegetable production skills training and on-going mentorship to participants. Planning and development of the program occurred in 2022 and the workshops and mentorship commenced in 2023.

(iii) Mineral Industry

The City signed a Memorandum of Understanding with the NWT and Nunavut Chamber of Mines in June 2022 (at the Prospectors and Developers Association of Canada 2022 Convention) to strengthen the relationship and commitment of the two organizations to work together. The City has since met with the Chamber of Mines to discuss ways to move forward on noted items of interest. The City continues to sit on the Giant Mine Socio-Economic Working Group and Advisory Board to maximize worker and resident benefits related to the Giant Mine remediation work. Staff attended the Round Up conference.

(iv) Post-Secondary Education

The City signed a Memorandum of Understanding with the Government of the Northwest Territories in 2022 to support the transfer of land for a Polytechnic University.

(v) Additional Endeavours

The Director of Economic Development and Strategy attended conferences in Canada to work to attract new sports events and mining endeavours to the territory. The Sports Event Conference was held in Edmonton, Alberta, in 2022 and is the largest annual gathering of everyone connected to the over \$7.4 billion sport tourism industry in Canada. The City worked in partnership with Northwest Territories Tourism to showcase city facilities. Dodgeball Canada has since indicated an interest in hosting an event of a larger scale in Yellowknife.

The City also attended the Prospectors & Developers Association of Canada conference in Toronto, Ontario in June 2022. This conference is the leading event for people, companies and organizations connected to mineral exploration and known for attracting up to 30,000 attendees from over 130+ countries for its educational programming, networking events, and outstanding business opportunities. The City worked with the Government of the Northwest Territories and the NWT and NU Chamber of Mines to ensure a heightened presence.

The City also saw a renewed interest in other organizations from across the country interested in hosting conferences in the city. The City has been working with the Solid Waste Association of North America (SWANA) in 2023 and the Federal Canadian Municipalities Board to host conference meetings in 2023.

The Department worked to develop a sponsored article in the National Post to attract workers to Yellowknife. The City recognizes the difficult position many organizations are facing with a lack of staff and/or skilled workforce, and saw this as an opportunity to promote the City.

(vi) Work with other City Departments

Development Incentive By-law update work commenced in 2022. This is a joint project between Planning and Development and Economic Development & Strategy.

The new Zoning By-law was adopted in 2022. The final draft version of the Arts and Culture Master Plan was also adopted.

4.0 OUTPUTS

Outputs in 2022 included attending various meetings, involvement on a range of committees and working groups, and providing input during these sessions.

4.1 Involvement in Committees, Working Groups

The City signed two Memorandums of Understanding (MOU) with groups in 2022. The first MOU was between the NWT and Nunavut Chamber of Mines and the City of Yellowknife, to strengthen the Mineral Resources Sector in the region. The second MOU was with the Government of the Northwest Territories for the Aurora College Polytechnic transformation. The City regularly attends the Giant Mine Socio-Economic Working Group and is a member of the Advisory Body and provides input to maximize the economic benefits and work that is ongoing to remediate Giant Mine.

The City also maintains membership and representation on the Yellowknife Immigration Partnership (YIP) and the NWT French immigration network (RIFTNO).

4.2 Zoning By-law

The City adopted Zoning By-Law No. 5045 in 2022. This document will help support the future growth of the city and businesses.

4.3 Arts and Culture Master Plan

The City received the final draft of version of the Arts and Culture Master Plan in 2022.

4.4 Reports Produced

The Department itself did not produce any reports in 2022, although it was a factor in the Arts and Culture Master Plan and Zoning By-Law.

5.0 OUTCOMES

The outcomes of the strategic economic work undertaken in 2022 have been presented above, where possible, however there are greater economic impacts felt locally that census data and local data can uncover.

5.1 Tourism Data

The Yellowknife Visitor Centre tracked the number of visitors since its opening day in September 2022, below is a table with the according numbers.

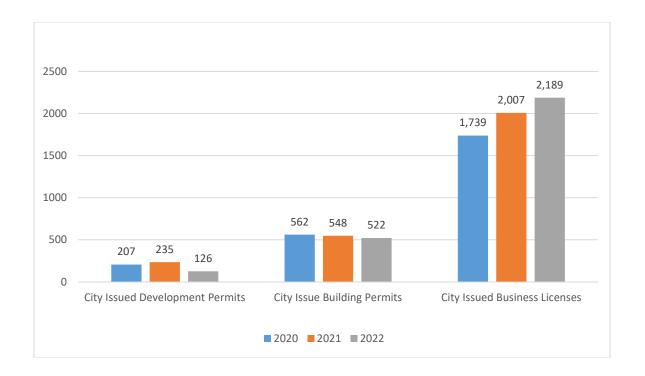
Month	Total Days Open	Total Visitors	Average Daily Visitors	Minimum	Maximum	Notes
September 2022	18	2,137	119	75	195	
October 2022	31	1,859	60	7	157	
November 2022	30	1, 354	45	10	90	
December 2022	30	2,352	63	33	127	Closed Christmas Day (December 25, 2022)

Further methods of gathering statistics has been implements, so more detailed information on where visitors are coming from, how long they may be staying, etc, is expected in the 2023 report.

5.2 Investment and Business Data

A total of 648 permits were issued by the City's Planning and Development Department in 2022. In 2022, the City issued a total of 126 Development Permits, 117 were residential and 9 were non-residential. This results in a decrease from 2021, which saw 235 Development Permits issued. This decrease in Development Permits is likely attributable to the changes to the Zoning By-law which reduced the types of development that require a permit. As such, the number of Development Permits issued in 2023 will be a better comparator.

The City issued 522 Building Permits in 2022, 421 residential and 101 non-residential. This number remains around the same number in 2021, which saw 548 issued.



The number of Business Licences issued continued to grow. In 2022, the City issued 2,189 Businesses Licences, over 150 more than in 2021. The City continued to offer its Business Licence Fee Waiver program for those businesses who apply for one. This is likely a driver for businesses to continue to update their licence, as they can do it at no additional cost.

5.3 Economic Data

(i) Investment

The City plans to develop investment materials in 2023 to attract business to Yellowknife.

(ii) Air Traffic

Air passenger Traffic at Airports in NWT has been updated as of 2021, however 2022 numbers were unavailable on NWT Bureau of Statistics website.

(iii) Population

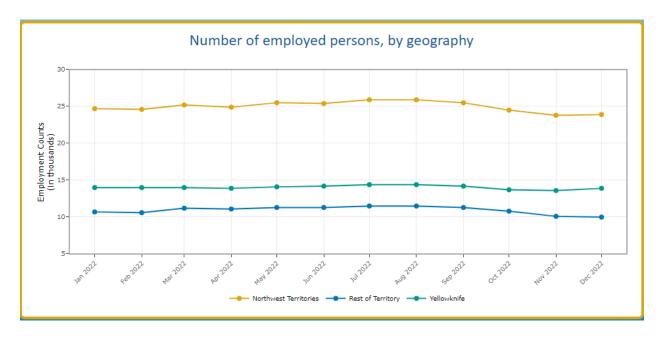
The 2021 Census indicates that while the population of the NWT decreased by 1.7% between 2016-2021, the population of Yellowknife Increased by 3.7%¹.

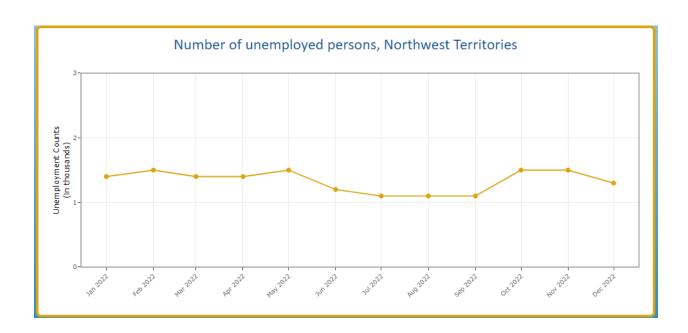
(iv) Household Incomes

Household Income for the Northwest Territories grew from \$140.408 in 2019 to \$149,197 in 2020. In Yellowknife, household income grew from \$167,751 in 2019 to \$173,338 in 2020.

¹Census Profile, 2021 Census of Population, <a href="https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/details/page.cfm?Lang=E&SearchText=northwest%20territories&DGUIDlist=2021A00056106023,2021A0000261&GENDERlist=1&STATISTIClist=1&HEADERlist=0

(v) Employment Numbers²





² NWT Labour Market Dashboard (see https://www.statsnwt.ca/labour-income/labour-force-activity/)

6.0 CONCLUSION

The Department of Economic Development and Strategy accomplished many key pillars of projects and key tasks in 2022. Although the department was short-staffed for a majority of the year, all the annual projects were able to continue and new initiatives, like Entrepreneurship Week, were able to proceed. Progress was made on bigger initiatives as well, as highlighted in the Implementation Plan update. Looking to 2023, the City has an ambitious agenda of tasks and projects to complete to keep progressing its Strategies and Implementation Plans, as directed by Council. Progress will be reported to the MTFED.