



## ***Economic Development Update***

*March 31, 2016*

*As an action stemming from the February 2016 Business Walk, the City of Terrace will be providing periodic updates regarding economic development indicators. This update will be the first in a quarterly series, intended to provide timely and relevant information to the business and investment community.*

### ***Real Estate***

*In December 2015 and January, 2016 a total of 18 properties were sold in Terrace totaling \$4,250,600 in value. This is down from 43 properties sold in the months of December 2014 and January 2015 although for the month of December 2015 the average sale price was up by 12% as compared to the same month in 2014.*

*Of home sales, the average sale price for December 2015 was \$367,500 compared to \$239,000 during that month in 2014. This reflects an increase of 54%. For home sales in January 2016 the average sale price was \$311,900 as compared to \$284,562 in January 2015, an increase of 10%.*

*For reference, the average sale price of homes for 2015 was \$248,813.*

*Source: BC Northern Real Estate Board.*

### ***Workforce***

*Labour force statistics are compiled periodically by the Province—Terrace is included in the North Coast and Nechako region due to the small size of communities and the need to report reliable statistics.*

*In February 2016 the unemployment rate in this region was 6.7%. This rate was slightly higher in January 2016 at 7%. This is lower than the unemployment rates in the Cariboo, Kootenay, Thompson Okanagan, Vancouver Island/Coast, and Northeast regions.*

*Over the next eight years (until 2024) the Province estimates 4,500 new job openings due to economic growth equating and 11,300 new job openings due to replacement of retiring workers.*

*Source: Work BC, Regional Labour Market Profiles, March, 2016.*

## ***Airport***

*By the end of February 2016 the Northwest Regional Airport saw a total of 32,782 passengers. This is comparable to the total for January and February 2015 of 34,262. In 2015 the total numbers of passengers who passed through our airport was 239, 095.*

## ***Business Licensing and Development***

*Over January and February 2016 seventeen new business licenses were approved in Terrace. During this same time period there was a decrease in total licenses of fourteen for a total of 1,132.*

*In February 2016 the total number of businesses was 10% higher than the same month in 2015.*

*Over January and February 2016 a total of 13 building permits were issued by the City, with a total construction value of \$540,500—this included one new single family home and one extensive home renovation.*

## ***Programs or Incentives to Support Economic Development***

*The City of Terrace provides incentives to support economic growth and community development through taxation forgiveness programs. The Airport Revitalization Tax Exemption Program offers three year property tax forgiveness for projects with over \$250,000 in construction value. The first such exemption will take effect in 2016 for the new Canadian Helicopters facility.*

*The Downtown Improvement Tax Exemption Program provides up to five years of property tax exemption for projects of over \$100,000 in construction value. From 2011 to present, downtown businesses have saved a total of \$31,257.73 through this program.*

*In addition, the City provides funding to Kermodei Tourism Society (\$130,000) and collects the business levy for the Downtown Business Improvement Area, which is distributed to the Terrace Downtown Improvement Association.*