



Economic Development Update

June 22, 2016

Real Estate

Over the months of March, April and May, 44 homes were sold in Terrace for a total of 57 sold so far in 2016. Total value of 2016 homes sales is \$18.4 million. The total sales are slightly down from this time in 2015, at which point 65 homes had been sold.

The average sale price of homes for January-May 2016 is \$323,291, up from \$293,661 in May of 2015. That is an increase of 10%.

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

Source: BC Northern Real Estate Board.

Workforce

In May, 2016 the total population ages 15 and over in the North coast/Nechako region was estimated to be 66,700. The unemployment rate rose to 8.5% from 6.7% in February, 2016.

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

Only the Northeast region has a higher unemployment rate in B.C at 9.6%. Compared to the overall B.C unemployment rate of 6.1% the Northwest and Northeast currently have significantly higher unemployment rates.

Note: 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

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

Airport

From January to May, 2016 88,323 passengers travelled through the Northwest Regional Airport. This was down 6% from passenger numbers during this same time period in 2015. Despite a market decline over the past year, the airport has seen growth of 127% since 2010

and continues to be a very competitive airport due to higher frequency of flights and ease of access.

Business Licensing and Development

As of May, 2016 the City had 1120 active business licenses, up from this time last year by 8.5%. From January to May, 2016 there were 40 new business licenses issued, down slightly from 2015 when 59 new business licenses had been issued by May, 2015.

For 2016, the City Development Services Department had issued 82 building permits as of May, 2016 totaling \$4.3 million in construction value. That construction value is down significantly from this time last year although the number of permits approved has remained comparable.

Some of the larger construction projects for 2016 so far include several residential renovations between \$100,000 and \$200,000 in value, the construction of a residence and a large institutional addition over \$1 million in value.

Brownfield site re-development progresses in Terrace

Due to a long, industrial history Terrace has numerous brownfield sites in various stages of redevelopment. Very positive progress has occurred on some of these sites in early 2016, with a quick summary below:

- 1. City owned former Skeena Cellulose site (20 acres) at Kenney Street and Keith Avenue**
 - ✓ Sold 5 acres to a private developer for the construction of a new Toyota dealership.
 - ✓ Completed environmental studies and will be seeking clearance from the Ministry of Environment to re-develop the remaining 15 acres.

- 2. City owned former Federated Co-op site (4 acres) in downtown Terrace**
 - ✓ Environmental studies have progressed and the City has received clearance from the Ministry of Environment to subdivide this property.
 - ✓ Further studies will be completed over 2016 to get clearance to re-develop the property, and we expect that a current Sales Agreement for nearly 3 acres will be able to close in the near future.

- 3. Privately owned former Shell bulk station site on Keith Avenue near Sande overpass**
 - ✓ Land owner has received clearance from the Ministry of Environment to re-develop the property and the City is currently in discussion with the landowner regarding plans for a new development.

- ✓ Although currently zoned Service Commercial, the City's Keith Estates Neighborhood Concept Plan designates this area as future mixed use light industrial, commercial or residential use that would require future re-zoning.

4. Privately owned site along south side of Keith Avenue

- ✓ The landowner has received clearance from the Ministry of Environment to proceed with application to re-zone and subdivide this property.
- ✓ Final clearance from the Province to re-develop the property is pending.
- ✓ The landowner has indicated plans for a motel/hotel.



The 15 acre City owned site at Kenney Street and Keith Avenue.



The downtown former Co-op property, currently owned by the City. Golder Associates is completing environmental monitoring work on this former gas station site.



Well drilling to monitor water and soil at the City owned Keith/Kenney property.