



Economic Development Update

September 30, 2016

Real Estate

July 2016 saw 26 properties sold totaling \$8.4M, up from \$5.0M in July 2015. August was slower with 19 properties sold and only \$4.5M in value. This brings the total year to date value of homes sold at \$51.7M, which is closer in line with last year's \$53.5M.

We are seeing a 2.4% decrease in total value of property sales compared to last year.

As of the end of August this year, there have been 412 property listings, up from 376 at the same time last year. In comparison, Kitimat is at 193 listings so far, up from 131 at the same time last year.

Source: BC Northern Real Estate Board.

Workforce

The unemployment rate for the North Coast and Nechako Region as of August 2016 was 7.5%, down from the 8.5% in February. Our region is followed by the Cariboo at 8.3% and then the Northeast at 8.8%. The provincial unemployment rate is 5.8%.

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

Airport

Passenger numbers in July/August are down 11.0% from the same time last year. This can be partially attributed to the completion of the Kitimat Modernization Project and the Northwest Transmission Line. Initial estimates presupposed a greater fall in passenger numbers, but low flight prices have helped to maintain usership.

The Brucejack Mine Project is planned to begin full operations in the third quarter of 2017, and is nearing completion of its 330 person camp. As the mine prepares to begin operations, passenger numbers at the Northwest Regional Airport are expected to increase.

The \$17M expansion project at the airport is expected to be fully complete towards the end of 2017.

Business Licensing and Development

The construction values for renovations in commercial, residential, and institutional properties are up dramatically from last year.

Total year to date construction values are much lower than those in 2015. This is due to last year's unusual productivity brought on by two hotel construction projects.

There have been 75 new business licenses issued in 2016. 71% of these businesses are located within Terrace. Our downtown has seen 12 new businesses start up this year.

Downtown Revitalization: Planning, programs and activities to date

There are currently seven businesses benefiting from the Downtown Revitalization Tax Exemption Program, resulting in total tax emptions of \$31,000 in 2016.

The Chamber of Commerce requested additional services in the downtown during a presentation to City Council earlier this year. Those requests have been assessed and are being considered as the City undertakes the 2017 budgeting process.

This year, several programs and events have aimed to revitalize Brolly Square including a Love Terrace barbecue and a "Brolly Busker Series" championed by the Terrace Downtown Improvement Area (TDIA).

The City of Terrace is in the process of completing a Downtown Parking Study and a Transportation Master Plan. The information gained from these studies will inform the transportation infrastructure needs of the City in the future.

The majority of the 2008 Downtown Plan has been implemented and the City is currently considering an update.

The Façade improvement Program, funded through a Northern Development Initiative Trust grant, has been fully utilized. The \$20,000 grant has gone towards supporting private businesses in making improvements to their buildings.