

APPENDIX B

Summary Notes:
Focus Group Sessions 1 (Highway and Mixed-Use
Commercial/Industrial Lands) and 2 (Service
Industrial Lands)

In November 2018, the City of Whitehorse (Planning & Sustainability Services Department) and a consulting team led by Groundswell Planning initiated a project to develop a *Commercial & Industrial Land Study* focused on areas outside of the downtown core. Three focus group sessions were held as part the engagement process. A fourth session was planned, but was cancelled due to lack of interest.

Invitation letters were sent by mail on November 5th to approximately 350 property owners and businesses located in the four zones of interest for the study: CH-Highway Commercial, CIM-Mixed-Use Commercial/Industrial, IS-Service Industrial, and IH-Heavy Industrial. The sessions were also open to prospective property and business owners, and were advertised through social media platforms and networks (Facebook and Twitter). The events were described as follows:

- **Session 1:** Monday, November 26th, 11:30 am – 1:00 pm
Planning for Highway Commercial and Mixed-Use Commercial/Industrial Lands
Discussion will focus on challenges and opportunities in the Marwell, Hillcrest, Kopper King, and Alaska Highway corridor commercial and mixed-use areas. Marwell topics include the recently adopted *Marwell Plan*.
- **Session 2:** Tuesday, November 27th, 11:30 am – 1:00 pm
Planning for Service Industrial Lands
Discussion will focus on challenges and opportunities in the Kulan, Taylor, Mount Sima, MacRae, and Alaska Highway corridor industrial areas.
- **Session 3:** Thursday, November 29th, 11:30 am – 1:00 pm (Cancelled)
Planning for Heavy Industrial Lands
Discussion will focus on heavy industrial activities that require larger land parcels and buffers to mitigate potential nuisances (e.g. noise, dust, odour, vibration).
- **Session 4:** Friday, November 30th, 11:30 am – 1:00 pm (see Appendix D for summary)
Meeting the Needs of the Food, Beverage, and Cannabis Production Sectors
This session will focus on the specific needs of these emerging sectors in terms of land, servicing, and other requirements. Discussion includes indoor agriculture and processing.

A combined total of 20 participants engaged in the sessions. Some participants represented associations, and some attended multiple sessions. Each session began with a presentation given by project staff; a hybrid version of the Power Point slides is available on the project website at www.whitehorse.ca/commercialindustrial. The presentations were followed by group discussions. All sessions ended approximately 30 minutes overtime.

The following summary captures conversation highlights from the sessions. View the Extended Input Summaries 1 and 2 to read more about each highlight. This document is intended to show the array of topics raised and views held by participants, and is not intended to reflect consensus amongst participants. Some topics fall outside of the scope of the land study, but are useful to capture as they point to situations affecting the business community, and will be communicated to the appropriate government departments.

Session 1: Planning for Highway Commercial and Mixed-Use Commercial/Industrial Lands

Location: Public Safety Building, Large Meeting Room

Participants: 8

Read more in Appendix 1, pages 5-7

Conversation highlights (concerns, support, insights, ideas, views, etc.):

1. Implementing the **vision of the Marwell Plan** will impact heavy industrial businesses.
2. Lack of **notification to property owners** about the *Marwell Plan*.
3. Whitehorse needs to “grow up” to be a more supportive **place for doing business**.
4. One **point of government contact** would improve business relations.
5. **Trust, transparency, and fairness** are important and need to be improved.
6. A faster **permitting process** is needed and applications should be treated consistently.
7. A better **approach** to developing commercial and industrial lands is needed.
8. **Land scarcity** leads owners to rezone in order to get what they need.
9. Businesses need to own land to build **equity and assets**; leasing/renting is not a good option.
10. Government of Yukon proposed **Alaska Highway upgrades** would impact businesses.
11. Maintenance is needed in the **Alaska Highway right-of-way**; whose responsibility is it?
12. The City has enough **trails**; trail interests should not be used to block development.
13. Converting the **Whitehorse Copper former mine site** to industrial lands... what’s the hold up?

Session 2: Planning for Service Industrial Lands

Location: Public Safety Building, Large Meeting Room

Participants: 6

Read more in Appendix 2, pages 8-11

Conversation highlights (concerns, support, insights, ideas, views, etc.):

1. **Rents** are high and difficult for some businesses to afford.
2. More **rental space** is not the solution; businesses need to own land to build equity.
3. Keep **land costs** low; leave out the servicing.
4. Interest in **live/work situations**.
5. Sometimes **residential and industrial uses** do not mix well.
6. Construction monopolies drive up **infrastructure costs**; consider unbundling projects.
7. Time to consider a new **development model** to get land on the market.
8. Businesses have different needs; an ideal **lot size** does not exist.
9. **Building codes** could use review to be more practical for industrial settings.
10. Optimizing operational space can mean less than optimal **septic practices**.
11. New industrial lands are needed, and would generate **employment**.
12. **Landscaping** requirements in industrial areas are not needed.
13. Prevent **vacant lots**; transfer land title after development occurs.
14. Salvage yard?... or junk yard? **Tipping fees** are keeping properties out of circulation.
15. **Development permits** trigger new zoning requirements that are costly to meet.
16. **Quarry lands** should be viewed as sites for future industrial lands.
17. The area **behind Canyon Crescent** could have development potential.

Extended Input Summary 1

Session 1: Planning for Highway Commercial and Mixed-Use Commercial/Industrial Lands – Extended Input Summary

Date: Monday November 26th, 2018
Time: 11:30 am to 1:00 pm (adjourned ~1:30 pm)
Location: Public Safety Building, Large Meeting Room
Staff: Erica Beasley (City of Whitehorse) and Jane Koepke (Groundswell Planning)

The focus of the November 26th group session was on *Planning for Highway Commercial and Mixed-use Commercial/Industrial Lands*. This session was open to existing and prospective property and business owners. Advertising included a direct mail-out to property owners, general notices on Facebook and Twitter, and promotion through the Whitehorse Chamber of Commerce Facebook page. Eight participants attended. Representation was from property owners and business operators in the Marwell, central/airport, and southern Whitehorse areas. One participant identified as a prospective property owner. One association (the Alaska Highway Business Association) was represented. The session began with a presentation delivered by project staff, followed by a group discussion. The questions below were used as conversation prompts:

- What about your current location/land parcel **works well** for your business?
- What about your current location/land parcel **doesn't work well** for your business?
- What **trends and opportunities** should the City be thinking about as it plans future commercial/industrial lands?
- What **strategies** should the City consider to better utilize existing commercial/industrial lands?
- What **areas** do you think would be strategic for developing new commercial/industrial lands?
- Do you have **other thoughts/comments/ideas** for the City to consider in facilitating private sector activity outside of the Downtown core?

The group discussion is summarized in the following notes, which are organized by theme. These notes are intended to capture the array of topics raised and views held by participants, and are not intended to reflect a consensus amongst participants.

1. Implementation of the vision of the Marwell Plan will impact heavy industrial businesses.

Several questions and concerns were raised regarding the direction set by the City's recently adopted *Marwell Plan*. The stated vision is for Marwell to evolve into a denser mixed-use and light industrial neighbourhood, functioning as an industrious extension to Downtown. Implementation would include relocating heavy industrial uses to other areas, and promoting active commercial uses. Participants raised concern for the impacts this would have to existing heavy industrial businesses and the long term investments made into properties. It was suggested that the area's new vision has created a state of limbo and uncertainty that could affect the value of properties and other assets. The City's suggestion of taking a "land swap" approach to implementation was not viewed as a desirable solution. Questions were raised about who would pay for the costs of relocation and decontamination of properties.

2. Lack of notification to property owners about the *Marwell Plan*.

Concern was raised that Marwell property owners were not sufficiently notified about the *Marwell Plan* process and final adoption. It was suggested that property owners should be made aware of the plan's vision when applying for development permits (i.e. owners should be made aware before they make significant investments into their properties, when the City has a long term vision that differs from their proposed improvements).

3. Whitehorse needs to “grow up” to be a more supportive place for doing business.

It was indicated that Whitehorse is currently not an attractive place for doing business, and that more needs to be done to support the business community. It was expressed that bureaucracies and the current regulatory framework are impeding businesses from establishing. Reflection is needed by the City and the Government of Yukon (YG) on why certain regulations exist and what they are intended to accomplish. It was suggested that Whitehorse needs to “grow up” and adapt to the current needs of businesses.

4. One point of government contact would improve business relations.

Interest was expressed for the responsibility of managing Crown lands within Whitehorse to be transferred from YG to the City. It was suggested that having just one point of government contact would help to reduce the back-and-forth between governments that businesses are currently subject to.

5. Trust, transparency, and fairness are important and need to be improved.

Concern was raised regarding “back room deals” for land purchases. It was suggested that small land holders are treated unfairly when larger interests are present, and that better communication is needed from the City on this front. It was also mentioned that land sales need to be negotiated at a fair price, and that the City's speculation on subdivision interests should not block requests for land.

6. A faster permitting process is needed and applications should be treated consistently.

Concern was raised for the length of time required in getting through the permitting process, and it was indicated that the lack of consistent messaging from the City on applications needs to be resolved. The situation leads people to appeal to City Council with their issues, rather than working with administration through the designated processes. Examples mentioned include land uses being allowed on one property, but refused on neighbouring properties. The inconsistent application of rules for sea can storage throughout Whitehorse was also raised as being problematic and causing uncertainty on what is actually allowed.

7. A better approach to developing commercial and industrial lands is needed.

Support was expressed for the City's initiative to develop a *Commercial & Industrial Land Study* as a coordinated approach to land planning. It was indicated that in the past a dart board approach has been taken to identify new areas for development. This is why commercial and industrial lands have been slivered along the highway and piecemealed throughout Whitehorse. It was expressed that a more comprehensive approach is needed.

8. Land scarcity leads owners to rezone in order to get what they need.

It was noted that the shortage in land availability leads some property owners to rezone at their

locations in order to carry out their desired business activities. There is nowhere to move to, so owners try to make do with the properties that they have. Sometimes this does not result in a good outcome from a neighbourhood design perspective; but other options do not seem available.

9. Businesses need to own land to build equity and assets; leasing/renting is not a good option.

A repeated message heard from participants is that businesses need access to land ownership opportunities in order to build their assets and equity. Increasing rental opportunities was not viewed as a viable solution to addressing the land availability challenge, and it was questionable as to whether there is interest in the land leasing/rental model. Businesses often have very specific needs that require customized buildings to accommodate their activities; it was viewed as uncommon for businesses to be able to rent exactly what they need.

10. YG's proposed Alaska Highway upgrades would impact businesses.

Concern was expressed for the impacts that the *Alaska Highway Whitehorse Corridor Functional Plan* will have on highway businesses, if the plan's central portions are implemented. In some cases, buildings are situated within the highway right-of-way and would need to be removed. In other cases, parking, storage, and access would be impacted. Preference was expressed to preserve the existing land use configuration, rather than widening the highway. The plan's proposal to divide the highway with a median was also viewed as problematic; not allowing left hand turns by northbound traffic would mean loss of customers who would continue on to more convenient business locations.

11. Maintenance is needed in the Alaska Highway right-of-way; whose responsibility is it?

Frustration was expressed about ownership and maintenance of the highway right-of-way, which can flood in spring time. It was suggested that maintenance is needed, but there is confusion on whose responsibility it is. Clarity was also requested on property owners' ability to pave driveways through the right-of-way to connect out to the highway.

12. The City has enough trails; trail interests should not be used to block development.

It was suggested that there is an over-consideration for trails in City planning processes and that trail interests are sometimes expressed as a means to block development. Interest was expressed for a more balanced approach to considering land requests. It was expressed that over-development of trails represents elite interests, and that the City needs to stop drinking the Kool-Aid.

13. Converting the Whitehorse Copper former mine site to industrial lands... what's the hold up?

Questions were raised relating to the former Whitehorse Copper mine site and the perceived administrative barriers created by the City that are preventing active reclamation of the site, and its eventual conversion to industrial lands.

Extended Input Summary 2

Session 2: Planning for Service Industrial Lands – Extended Input Summary

Date: Tuesday November 27th, 2018
Time: 11:30 am to 1:00 pm (adjourned ~1:30 pm)
Location: Public Safety Building, Large Meeting Room
Project staff: Erica Beasley (City of Whitehorse) and Jane Koepke (Groundswell Planning)

The focus of the November 27th group session was on *Planning for Service Industrial Lands*. This session was open to existing and prospective property and business owners. Advertising included a direct mail-out to commercial and industrial property owners, general notices on Facebook and Twitter, and promotion through the Whitehorse Chamber of Commerce Facebook page. Six participants attended, of which three also attended the session held on November 26th. Representation was from a mix of property owners and business operators, including three owners of properties zoned *Service Industrial*. One association (the Alaska Highway Business Association) was represented. The session began with a presentation delivered by project staff, followed by a group discussion. The questions below were used as conversation prompts:

- What about your current location/land parcel **works well** for your business?
- What about your current location/land parcel **doesn't work well** for your business?
- What **trends and opportunities** should the City be thinking about as it plans future *Service Industrial* lands?
- What **strategies** should the City consider to better utilize existing *Service Industrial* lands?
- What **type of Service Industrial lots** do you think industry needs, now and in the future?
- Do you have **other thoughts/comments/ideas** for the City to consider in facilitating private sector activity outside of the Downtown core?

The group discussion is summarized in the following notes, which are organized by theme. These notes are intended to capture the array of topics raised and views held by participants, and are not intended to reflect a consensus amongst participants.

1. Rents are high and difficult for some businesses to afford.

It was expressed by participants that the affordability of shop rental space is a big issue for Whitehorse's business community. A rental rate example of \$3,500/month was mentioned, which was difficult for the business owner to find; other options available were more expensive. It was suggested that many businesses struggle to cover their rent, and that the high cost of purchasing land translates into high rents. It was mentioned that land costs have tripled since lots were released in the Mount Sima area, and that the days of \$90,000 lots are over.

2. More rental space is not the solution; businesses need to own land to build equity.

It was mentioned that while some businesses rent, for many it is not their preferred situation. It was mentioned that businesses need to own land in order to leverage assets and develop capital.

3. Keep land costs low; leave out the servicing.

Participants suggested that keeping the cost of land down should be a top priority and that this can be achieved, in part, by keeping servicing to a minimum. For example, installing water and sewer mains within road infrastructure was not viewed as a priority, if it means that land costs will be higher. If needing to choose between municipal water and sewer servicing, water was indicated as the preferred service.

4. Interest in live/work situations.

It was expressed that having the opportunity for live/work situations on industrial properties is desirable and can help with business and housing affordability. However, it was noted that residential functions and resident expectations should not detract from the intended purposes of industrial lands. For example, noise within an industrial area should be expected, and nuisance complaints should not be enforced the same way that they are in residential areas.

5. Sometimes residential and industrial uses do not mix well.

It was pointed out that while live/work situations are needed, the mix of industrial and residential activity are not always a good fit. The example of heavy industrial trucks driving through the residential portions of Mount Sima was provided as an example. It was recommended that similar situations should be avoided in the future through better separation of uses.

6. Construction monopolies drive up infrastructure costs; consider unbundling projects.

It was expressed that construction monopolies for utility and road works are driving up the price of land development. Part of the issue was viewed to be how governments bundle project phases (e.g. deep, shallow, and surface works). It was suggested that by separating phases into smaller contracts, a more competitive bidding process could occur, which would help to bring infrastructure costs down. There are multiple smaller businesses in Whitehorse that can handle specific project components; but only a few large businesses that can handle the full suite of infrastructure works. It was suggested that unbundling contracts would open opportunities for these smaller businesses, while bringing costs down. BC Hydro was mentioned as an example of a company that is able to choose amongst many eligible contractors at competitive rates.

7. Time to consider a new development model to get land on the market.

It was suggested that the slow development process in Whitehorse is due to industry's reliance on government to open up new land. It was suggested that the City should look into alternative models that are working in other municipalities; in some places, government/private partnerships are moving development along at a faster pace and there may be potential for similar partnerships in Whitehorse.

8. Businesses have different needs; an ideal lot size does not exist.

It was suggested that an ideal lot size does not exist because businesses vary widely in their operational needs. It was suggested that all lots should be designed to at least meet their basic servicing needs. It was questioned whether water delivery was a viable servicing option.

9. Building codes could use review to be more practical for industrial settings.

It was pointed out that building code requirements could use review to be more practical for their

application to industrial settings. An example was offered whereby insulation requirements in walls are set to a high R value, yet large shop/garage doors are a low R value, so net heat loss occurs. It was also mentioned that some industrial spaces do not need to be heated, depending on the operation, yet are required to meet high R values. These requirements increase the development costs for businesses, and might not be having the desired outcomes.

10. Optimizing operational space can mean less than optimal septic practices.

It was indicated that lot size constraints can lead businesses to fully utilize their surface areas out of necessity; sometimes this means storing materials or driving heavy vehicles over septic fields. Compaction of septic fields should generally be avoided because this can impact the proper functioning of the system. Having municipal connection to water and sewer could free up operational space on lots, but this was not viewed as being a significant help to the situation, since some businesses are already utilizing septic field areas, despite potential issues.

11. New industrial lands are needed, and would generate employment.

It was emphasized that recognition is needed for the important role that industrial areas provide in generating employment and supporting the Whitehorse economy. The business case for supporting industrial land development needs to reflect the many direct and spin-off benefits that industrial lands bring to the community.

12. Landscaping requirements in industrial areas are not needed.

Questions were raised as to why the City has landscaping requirements for industrial areas. It was indicated that these requirements are an added cost to businesses for the installation and maintenance of vegetation, yet it was suggested that this adds little value to the neighbourhood. It was also mentioned as being ineffective given that after installation there are no inspections to make sure that landscaping stays alive.

13. Prevent vacant lots; transfer land title after development occurs.

An idea was proposed for helping to address underutilization of lots, in cases where new lots are purchased but remain vacant. The assessed value of vacant land is low, and so municipal taxes are also low; there is no financial hardship to owners when a property remains vacant. It was suggested that perhaps full transfer of a parcel's land title should occur after the property has been developed.

14. Salvage yard?... or junk yard? Tipping fees are keeping properties out of circulation.

The line between "salvage yard" and "junk yard" is blurred in industrial areas across Whitehorse. It was pointed out that the underutilization of some lots can be linked to tipping fees at the City landfill. The cost for disposing of property contents may be unfeasible for some owners who have gone out of business, or have inherited properties. As a result, these lots remain inactive and will likely stay that way until financial situations change, or until it becomes more affordable to dispose of property contents. Another contributing factor is the lack of a reuse economy in Whitehorse; businesses do not want to landfill items that under different circumstances could have an economic value. It was viewed that using tax penalties as a disincentive in these situations would hurt land owners and businesses that are likely already struggling.

15. Development permits trigger new zoning requirements that are costly to meet.

Concern was raised for how development permit applications can trigger current zoning regulations. It was indicated that this can have a big financial impact on businesses looking to upgrade their developments. It was requested that the City review this situation and perhaps be lenient, particularly when minor improvements are triggering major renovations for compliance. Making the rules fair for existing and new developers was recognized as being a challenge.

16. Quarry lands should be viewed as sites for future industrial lands.

Interest was expressed to see more quarry lands opened for use. Support was expressed for using quarrying as an effective way off opening up and preparing new areas for future industrial use. This approach was viewed as making a lot more sense than spending resources to grade and fill new development areas.

17. The area behind Canyon Crescent could have development potential.

It was suggested that the area behind (to the west of) the Canyon Crescent neighbourhood might be a suitable location for new *Service Industrial* lots, given that residences are on water delivery because of existing quality issues, and would not be put at risk.