



# Local Improvement Policy Changes

City of Whitehorse Webinar

June 1, 2021

6:30-8:30PM via Zoom

*Updated June 2, 2021 – see slide 15*



THE WILDERNESS CITY  
[www.whitehorse.ca](http://www.whitehorse.ca)



# Presentation Team

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# Presentation Outline

- 1) Intro/Housekeeping
- 2) What is a Local Improvement Charge/Project?
- 3) Policy Issues
- 4) Proposed Policy Changes
- 5) Policy implications – rough cost comparisons
- 6) Q/A
- 7) Contact Info



# Housekeeping

- 1) How to use zoom webinar
- 2) Instructions for Q/A Feature

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Mute

  
Chat

  
Raise Hand

  
Q&A

Leave

### Welcome to Q&A

Questions you ask will show up here. Only host and panelists will be able to see all questions.

Type your question here...

Send anonymously

Cancel

Send

# What is a Local Improvement Project?

Local improvements are construction projects that Council considers to be of greater benefit to a particular area of the municipality than to the whole of the municipality



## What is a Local Improvement Charge?

- Local improvements charges (LICs) are taxes approved by bylaw against a privately owned property to recover costs associated with an infrastructure project.
- LICs are calculated by determining the cost of a metre of road and multiplying it by the frontage and multiplying it by:
  - 33% for residential properties
  - 66% for commercial properties
  - 100% for government properties



## Policy Issues – from property owners

Policy Issue (Owners)	Explanation
Costs	Too high
Design	Disagreed with what was being presented – Hillcrest included look and feel and road alignment
Process	“voting rules”, objection notice system, trust, confusion
Limited Benefit	Must pay LIC whether you get new private services or not
Other	Question need for replacement of City pipes; construction disruption



# Policy Issues – City

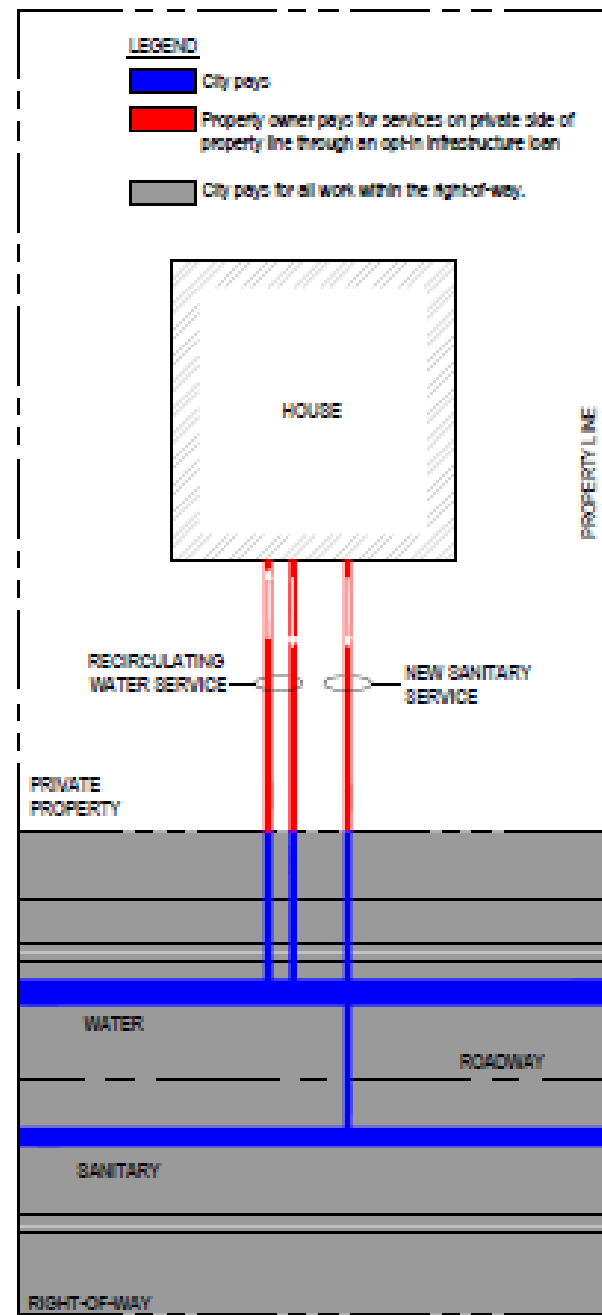
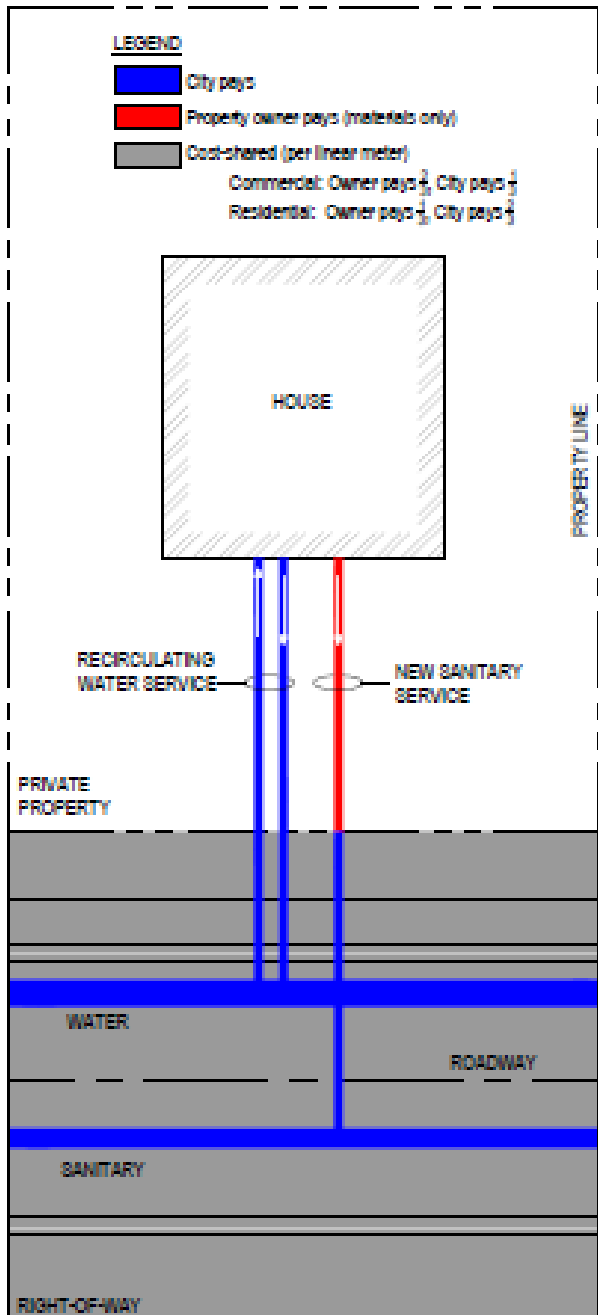
Policy Issue (City)	Explanation
Funding private side – principle issue	Should taxpayers pay for work on private property?
External funding opportunities	Significant funding available <u>now</u> . Projects are multi-year processes. Avoid new taxes and levies.
Many reconstruction Projects to go	Cancelled projects still need to get done and may delay other areas getting reconstructed.
Resource intensive process	Effort can be put into other projects; advance in a timely manner.
Clarity required	Confusion is acknowledged and impact on trust

# Guiding Principles

- Transparency
- Fairness
- Affordability

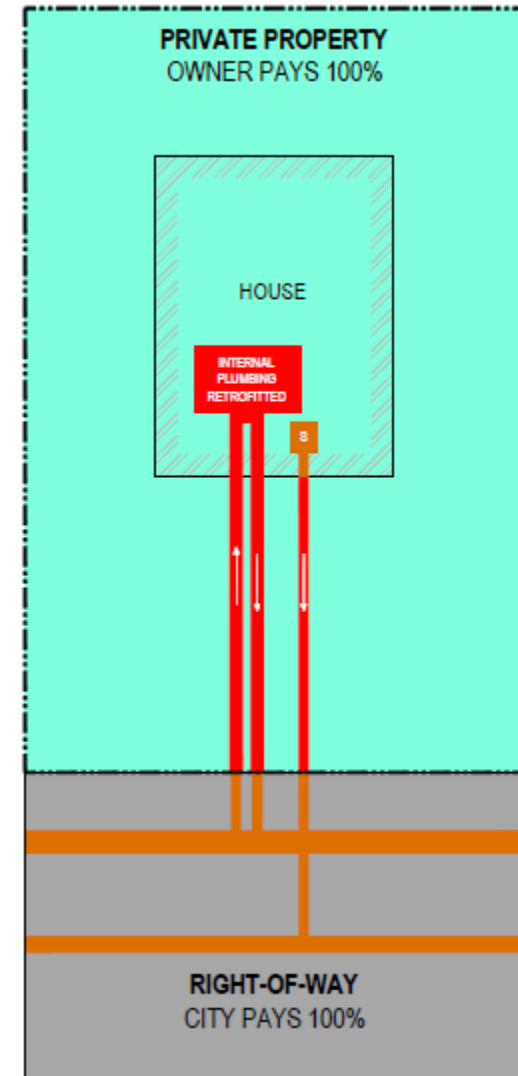


# Current and Proposed



# Proposed Policy

- City pays 100% costs public-side (no LIC charged to adjacent property owners)
- Private property owners pay 100% private-side
- Choice to opt-out – do it when you can afford it or pass to future owner
- Choice to opting-in:
  - favourable voluntary loan available
  - one-time disruption
  - City hires and manages the contractors
  - Avoid dealing future failure on your own
  - Opportunity for owners to revamp their yard themselves, own labour to save money on restoration/hire landscaper



# Proposed Policy vs. Issues

Policy Issue (Owners)	Response
<b>Costs</b>	<ul style="list-style-type: none"> <li>- Opt-out</li> <li>- Opt-in with voluntary infrastructure loan</li> <li>- Only pay private side; no LIC</li> </ul>
<b>Design</b>	<ul style="list-style-type: none"> <li>- Public design process</li> <li>- Adoption by City Council</li> </ul>
<b>Process</b>	LIC process retained only for discretionary improvements
<b>Limited Benefit</b>	If there is no improvement on private side project costs \$0
<b>Other</b>	<ul style="list-style-type: none"> <li>- Opt-out if doubt need or perceived benefit</li> <li>- Construction disruption is required to maintain public infrastructure. Opt-out if disruption on private property.</li> </ul>

Special thanks to HCA for input from survey!

# Proposed Policy vs. Issues

Policy Issue (City)	Response
Funding private side – principle issue	Apportioned private/public. No crossover.
External funding opportunities	Stay on track with renewal program while funding available
Many Reconstruction Projects to go	Stay on track to get to projects in timely manner
Resource intensive process	Public participation process streamlined. Council adopts plan with resident input.
Clarity required	Separation of asset replacement responsibility is simplified. *Discretionary LIC remains – improved communications/procedure identified.

## 2019 Cook Street Calculations for Commercial Properties

- Assumes all buildings would be serviced from the property line to the building; actuals are about 1/3 are serviced
- Costs are stated per lot, i.e., if a business owns multiple lots (e.g., Landmark Cinemas) the total costs would be these amounts x no. of lots
- There would be no private side costs for buildings with zero setback to the lot line

	Average	Low	High
<b>Commercial properties LIC</b>	\$20,100	\$19,700	\$22,900
<b>Commercial private side cost</b>	\$7,000	-	\$11,800

## 2019 Cook Street Calculations for Residential Properties

- Assumes all buildings would be serviced from the property line to the building

	Average	Low	High
<b>Residential properties LIC</b>	\$9,834	\$7,896	\$11,807
<b>Residential private side cost</b>	\$8,070	4,915	\$12,183

Note: This slide was updated June 2<sup>nd</sup> for formatting and to match headers with charts.



## 2017 Hillcrest Neighbourhood Local Improvement Charge Costs

- Assumes all buildings would be serviced from the property line to the building
- Public side costs = 2017 estimated per metre cost for an average road x 33.33% x property frontage
- Private side costs 100% covered with federal funds + City reserves

	Average	Low	High
Roundel Road	\$12,349	\$10,279	\$15,928
Kluane Cres.	\$12,060	\$10,615	\$16,308
Park Lane	\$11,879	\$7,961	\$20,653

## 2021 Hillcrest Reconstruction Estimated Private Side Costs

- 2021 estimated costs to renew service connections on private property
- Public side reconstruction costs 100% covered with federal funds + City reserves

	Average	Low	High
Roundel Road	\$22,300	\$14,200	\$30,900
Kluane Cres.	\$20,100	\$9,600	\$53,500
Park Lane	\$14,300	\$10,400	\$18,900



# Guiding Principles

## ✓ **Fairness**

- City-wide taxpayers not paying for private asset
- Choice to hook up – advantages to doing so
- Tax rules change (response to previous LIC payers)
- Not paying if not possible/choose not to hook up

## ✓ **Transparency**

- Enhanced efforts in communication
- Simple to understand – only pay for private asset

## ✓ **Affordability**

- Choice to hook up when ready/able to afford it
- Loan pre-approved, low interest rate
- Restoration approach

## Next Steps

- Contact us if you have questions.
- Submit your comments until June 14 to [publicinput@whitehorse.ca](mailto:publicinput@whitehorse.ca)
- Public input report presentation July 5
- Council decision July 12



# Contact Us

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- Mike Gau, Director of Development Services  
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## Project webpage:

<https://www.whitehorse.ca/departments/engineering-services/local-improvement-projects/local-improvement-policy-update>