

REGIONAL ROUNDUP Incentives push innovation, real estate development, mining exploration

Spurring Whitehorse

FRANK O'BRIEN

WESTERN INVESTOR

Facing a housing crunch and a skilled-labour shortage amidst startling population growth, the Yukon capital of Whitehorse has turned to a trusted northern formula: generous incentives to get things rolling.

The city, where the population has soared 13 per cent since 2006 to more than 26,000, is dangling a \$500,000 tax grant for developers who can deliver 25 to 30 units of rental housing downtown or mixed-use projects of commercial and retail in selected areas of the city.

Other incentives offer tax grants of up to \$50,000 for mixed-use or supportive housing and \$10,000 to homeowners who simply put in a rental suite.

The rental vacancy rate in Whitehorse, the largest city in the Yukon, is estimated at 1.2 per cent; rents for a two-bedroom apartment average \$960 per month.

"The rental vacancy is tight," said **Kinden Kosick** of the Whitehorse planning department, adding that there has been "modest takeup" on the incentives so far. A single homeowner applied to add a rental suite and a non-profit housing group has submitted an application for a multi-unit project under the \$500,000 tax incentive. Kosick said the city expects more applications to come in as news of the incentives spread.

The low rental-vacancy rate and relatively high housing prices – the average detached house price as of the first quarter was



Whitehorse has seen a 13 per cent increase in population since 2006. The apartment-rental vacancy rate is pegged at 1.2 per cent and the unemployment rate is 5.4 per cent. **TOP LEFT: Unmanned drones are being used in the initial stage of mineral exploration in the Yukon. Shown is Ground Truth Exploration partner Tao Henderson launching a drone near Dawson City. BOTTOM LEFT: Prime Minister Stephen Harper announces \$53 million in funding to address skills training in the Yukon. The territory will need at least 1,700 mine workers within the next 10 years.**

\$405,000 – is partly due to slow development over the past few years. The housing market has cooled recently, though, with the local real estate association calling it "steady and balanced" with asking prices tracking about 8 to 10 per cent lower than a year ago.

Lot lottery

The city is aiming to boost home-building by opening a 550-acre tract of land called Whistle Bend owned by the Yukon govern-

ment that could eventually deliver 8,000 homes. In September, the government held a lottery draw for potential developers to bid on the second phase of the project, which includes 101 single-family lots, 26 duplex lots, 48 townhouse lots and eight multi-family lots, all fully serviced.

Based on prices in Phase 1, the single-family building lots were offered at from \$104,000 to \$177,000, with multi-family lots priced up to \$314,000. Multi-family develop-

ers have three years to build once their bid is accepted.

Whitehorse is also encouraging mixed-use (commercial and residential) projects on its city-owned Motorways site along the Yukon River. So far, four of the nine building lots have been claimed and all are being sold on a first-come basis.

The first four lots sold for \$210,000 to \$539,500. The development site is next to the Whitehorse Public Library and a native cultural centre. City subdivision plans and zoning are in place.

Lots remaining for sale range from 7,007 square feet to 20,451 square feet and asking prices are in the \$29 to \$38 per square foot range.

Labour

The unemployment rate in Whitehorse is around 5.4 per cent and, while various levels of government provide the most jobs, the city is the major service and distribution centre for the Yukon. This has meant an influx of skilled workers to service local mining plays.

Yukon's mining industry is expected to require up to 1,700 new workers to meet its needs by 2022, according to Prime Minister **Stephen Harper**, who visited Whitehorse during his annual northern tour this August.

Speaking at the **Quantum Machine Works** factory, Harper announced \$5.6 million in funding over four years to contribute to the construction of the Centre for Northern Innovation in Mining at **Yukon College's** Ayamdigtug campus in Whitehorse.

The centre will be a "one-stop, state-of-the-

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TO SEE A TOUR OF
DAWSON CITY

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art education, training and research facility for people looking to begin a career in the mining industry as well as for those who want to improve their skills,” said Harper during his speech.

The federal government estimates the new school will create 40 construction jobs and generate up to 520 trades, mining and apprenticeship graduates over the next five years. Hundreds of other students are expected to take credit courses at the centre.

Drones hunt gold

Yukon mining has not been immune to the downturn in mineral prices this year, with reports of cutbacks and a slowdown in exploration.

Yukon Zinc, for example, has cut production and laid off workers at its Wolverine Mine due to falling zinc and silver prices.

Alexco Resource Corp. has also announced layoffs at its Bellekeno Mine in response to low prices for silver, zinc and lead.

“While there are some that believe precious-metals prices will rebound in the near term, we believe it is only prudent to do what we can to weather this period of

lower prices,” said **Clynt Nauman**, Alexco’s president and CEO.

In a **CBC** interview, **Michael Kokiw**, executive director of the **Yukon Chamber of Mines**, said the situation across the Yukon could get worse, especially over the short term, due to falling prices, particularly for gold.

Yukon miners looking for ways to cut exploration costs are turning to an innovative new tool: unmanned aerial drones.

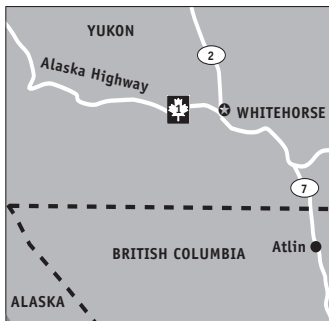
Prospector **Tao Henderson**, a partner in **Ground Truth Exploration** of Dawson City, says the small drones allow for the early exploration of huge areas at very low cost.

The drones, which weigh about 22 ounces (650 grams) each, carry a 16-megapixel camera. The unit flies over remote terrain snapping photos that can then be used to generate 3-D elevations to help mining companies decide if a site has potential.

“The drones can’t go out and find a mine, but they are a powerful new tool,” Henderson said.

The drones reduce the cost of initial exploration to about one-fifth of what it was before, according to Ground Truth. And drone technology is improving – recent innovations include units that allow for better mapping and a machine that lets crews take samples

Quick facts



Whitehorse, Yukon

Population 26,000

Average house price \$400,000

Rental vacancy rate 1.2 per cent

Commercial building lots, per square foot \$29-\$38

in the field much faster.

Lee Pigage, head of the **Yukon Geological Survey**, says the government is also interested in what Ground Truth is working on.

“I think it’s cool,” he said. “Every exploration company, every exploration geologist, every prospector wants to have different types of tools.”◆