

**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
5TH COUNCIL, 34TH SESSION**

**RECOMMENDATION TO
COUNCIL NO. 14-34**

TABLED ON MARCH 9, 1967

Recommendation to Council 14-34
Tabled on March 9, 1967



February 26, 1967
Confidential - Not
for release before
tabling during the
34th Session of
Council.

NORTHWEST TERRITORIES

RECOMMENDATION TO COUNCIL NO. 14
(First Session, 1967)

PINE POINT FINANCIAL SITUATION AND MUNICIPAL STATUS

DISPOSITION

Tabled	To Committee	Accepted as Read	Accepted as Amended	Deferred (to Session)	Rejected	Noted not Considered

PINE POINT FINANCIAL SITUATION AND MUNICIPAL STATUS
Re: Item For Action No. 129

At the 33rd Session of Council, questions were asked concerning the development and municipal status at Pine Point.

Recovery of Development Costs

The initial Territorial Government investment of \$450,000 supplied roads, water-sewer facilities and survey costs for 105 residential lots, 28 trailer lots, and a commercial centre area of 15 acres, which was subdivided into lots and modules. Recoveries to date are \$222,716 in revenue received from sale of lots. The value of unsold lots is estimated at approximately \$238,300.

Municipal Status

It was anticipated, when the Territorial Government and the Pine Point Mine Management agreed to the establishment of Pine Point as an "open" town, that the development of municipal institutions would be encouraged. Originally, it had been hoped to have a village form of government by approximately 1966 or 1967, but with the energies of local residents fully engaged in the extensive construction needed for the town, this has not been realized.

The Commissioner established general control over the area by creating a Development Area on February 12, 1963, and followed up by comprehensive Development Area Regulations which were applied on September 14, 1964. The Development Area covers a radius of 15 miles.

A Local Advisory Committee is now in operation at Pine Point. This is the normal first step towards involvement in local affairs and it is an incipient form of local representation which can be formally recognized at a later date through incorporation.

The Area Administrator at Pine Point suggests that reactions from local residents towards incorporation should be examined later this spring. This will allow some time for a local initiative to develop and will also provide opportunity for the financial implications to be examined by all affected parties. A real property assessment of the community is scheduled for the summer of 1967 and following the creation of the assessment roll, more complete data will be available upon which to base future action.

Pine Point has an economy which appears capable of supporting the cost of local government. On the other hand, the Territorial Government has normally avoided pressuring local residents to accept local government responsibilities before a substantial local body of opinion for this has made itself known. At the moment, however, local residents pay no property taxes in support of the cost of local services, including education services.

The alternative to incorporation as a Village, would be the creation of a Local Improvement District, whereby the Territorial Government, through a local tax levy, could recover a portion of the costs of local services.

Recommendation

The Commissioner recommends to Council that every step should be taken to encourage Pine Point to incorporate as a Village without delay.