



ECONOMIC DEVELOPMENT ADVISORY COMMITTEE

MEETING AGENDA

March 1, 2021

6:00 p.m.

Virtual

CALL TO ORDER

1. ADOPTION OF AGENDA

2. MINUTES

- a. Approval of EDAC Meeting Minutes – December 7, 2020

3. DELEGATIONS

- a. Industrial Land Strategy – Altus Group (report summary attached)

4. BUSINESS ITEMS

- a. Red Tape Reduction Initiative – Walker (briefing attached)
- b. Review of 2021 Annual Workplan – Stevenson
- c. 2020-2021 EDAC Meeting Schedule - Stevenson

5. INFORMATION ITEMS

6. CLOSED SESSION

ADJOURNMENT



Economic Development Advisory Committee March 1, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:**1. ADOPTION OF AGENDA****PROPOSED MOTION:**

That the agenda be approved as presented.

BACKGROUND/ANALYSIS:

n/a

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

n/a



Economic Development Advisory Committee

Minutes of the EDAC Meeting
Held December 7, 2020
Virtual

Committee Members Present:

Councillor Erin Stevenson, Chair
Councillor Dave Oldham, Vice-Chair
Councillor Michelle Gruhlke
Mayor Stuart Houston, Ex-officio
Robert Smith
Anthony Worbeck
Braven Blackwell
Bruce Mullett
Kelly J. Rose
Victor Moroz
Charlene Bell
Heather Shewchuk

Also In Attendance:

Dave Walker, Manager, Economic & Business Development
Karla Gould, Economic Development Specialist
Jamie-Lynn Scobie, Economic Development Specialist
Louise Frostad, Chief Financial Officer
Wendy Boje, General Manager, Corporate Services

CALL TO ORDER

Chairperson Erin Stevenson called the meeting to order at 6:02 p.m.

1. ADOPTION OF AGENDA

Two additions were made to the agenda.

2020-01 Moved by Victor Moroz that the agenda be adopted as amended.

Carried



2. MINUTES

- a. Inaugural EDAC Meeting Minutes – October 29, 2020

2020-02 Moved by Anthony Worbeck that the October 29, 2020 EDAC Inaugural Meeting Minutes be approved as presented.

3. INFORMATION ITEMS

- a. City of Spruce Grove Financial Direction & Strategies – Frostad/Boje

2020-03 Moved by Bruce Mullett that the City's Financial Direction & Strategies presentation be accepted as information.

4. BUSINESS ITEMS

- a. Update on City Initiatives and Development, as added - Walker

2020-04 Moved by Charlene Bell that the Update on Initiatives and Development be accepted as information.

Carried

- b. Update on Regional and Government Partnerships, as added - Houston

2020-05 Moved by David Oldham that the update on regional partnerships be accepted as information.

Carried

- c. Development of Annual Workplan - Stevenson

2020-06 Moved that the EDAC Annual Workplan be developed as discussed.

Carried



5. DELEGATIONS

n/a

6. CLOSED SESSION

The Economic Development Advisory Committee did not go into Closed Session.

Chairperson Erin Stevenson declared the meeting adjourned at 9:08 pm.

CHAIRPERSON – ERIN STEVENSON

RECORDING SECRETARY



Economic Development Advisory Committee March 1, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:**2. APPROVAL OF MINUTES****PROPOSED MOTION:**

That the December 7, 2020 EDAC Meeting Minutes be approved as presented.

BACKGROUND/ANALYSIS:

n/a

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

December 7, 2020 EDAC Meeting Minutes

Industrial Land Strategy, Spruce Grove, Alberta

Executive Summary

Independent Real Estate Intelligence

FINAL REPORT

January 18, 2021



Industrial Land Strategy, Spruce Grove, Alberta

Executive Summary

Prepared for:

The City of Spruce Grove

Prepared by:

Altus Group

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January 18, 2021

EXECUTIVE SUMMARY

Altus Group was retained by The City of Spruce Grove (“Client”) to prepare an Industrial Lands Strategy for the City of Spruce Grove, Alberta (“City”), with the intention to provide options for ways the City can increase its supply of serviced, ready-to-go industrial employment lands.

BACKGROUND

The City of Spruce Grove has been successful in attracting consistent new investment into its industrial parks, however, as with many cities in western Canada, the City faces several challenges in managing its inventory of industrial land. Most of the land currently designated for future industrial growth remains dormant, with a lack of new investment in terms of bringing on new serviced industrial lands. This is due to the recent economic downturn in western Canada. In this economic climate, private land developers may or may not have the motivation to actively target new investment or to prepare their land to accommodate the immediate needs of potential new business.

Spruce Grove recognizes that an inventory of available lands to accommodate a broad range and mix of industries is critical from an economic development perspective. With the City’s competitive position at stake, it is necessary that the City actively seek ways to ensure the industrial land supply is adequate to accommodate employment growth proportional to the City’s population growth.

STUDY PURPOSE

The purpose of this study is to conduct an industrial lands strategy for the City of Spruce Grove, building on existing work and studies completed by and for the City, with the objective to:

- Assist the City in understanding the existing and future state of the region’s industrial sector, and current supply and demand characteristics of the City’s industrial lands;
- Help the City to better accommodate and respond to future forecasted demands for industrial lands; and
- Provide options for ways the City can increase its supply of serviced, ready-to-go industrial employment lands.

SPRUCE GROVE STUDY AREA

The Study Area defined for the purposes of this analysis generally includes the designated industrial employment areas in the City of Spruce Grove, situated south of Highway 16A as shown in Exhibit A.

Exhibit A

City of Spruce Grove Industrial Parks



Source: Altus Group based on data from ESRI Canada and the City of Spruce Grove (2020)

SUMMARY OF FINDINGS

Existing Spruce Grove Industrial Inventory

- Spruce Grove currently has eight industrial business parks occupying approximately 1,300 acres (526 hectares) of gross land area, or approximately 730 acres (295 hectares) of net developable industrial land. A summary of key industrial park characteristics is presented in Exhibit B.
- As of 2020, the 8 industrial parks contained approximately 2.37 million square feet of industrial building space, are home 220 businesses and employ close to 1,950 people. Within these industrial parks there exists a wide variety of industrial land uses in addition to some 109 acres (44 hectares) of vacant land, and approximately 200,000 square feet of building space for lease.
- Additionally, NAIT acquired 140 acres (57 hectares) of land to establish their specialized construction trades campus.
- A full inventory of land parcels for each industrial park is included in Appendix A of this report. The inventory builds on and updates the City of Spruce Grove Industrial Profile Analysis completed in 2018.

Exhibit B

Industrial Inventory of Existing Employment Areas, Spruce Grove, January 2020

Industrial Park	Net Developable Land Area	Gross Land Area	Industrial Building Area	No. of Businesses	No. of Workers	Vacant Industrial Land	Vacant Industrial Building Space
	<i>Acres</i>		<i>Square Feet</i>			<i>Acres</i>	<i>Square Feet</i>
Madison	84	100	174,563	28	163	8	11,045
Diamond	108	122	613,192	38	420	15	92,286
Shep	115	147	513,367	65	511	10	35,651
Yellowhead	137	155	470,161	46	420	1	2,423
Spruce Grove	155	180	368,961	28	259	34	59,321
Campsite	32	381	101,426	13	79	8	-
Public Works Quarter	72	160	81,000	1	54	18	-
Grove	24	28	43,147	1	40	16	-
Total	727	1,273	2,365,817	220	1,946	109	200,726

Source: Altus Group Economic Consulting, January 2020

Despite the current industrial inventory, there is not an excess of available serviced industrial lands on the market in Spruce Grove that could substantially be counted on to accommodate future employment growth requirements and demand. Longer term impacts of the pandemic and economic slowdown are not yet clear, although it is not anticipated to significantly affect the need to ensure an available supply of shovel-ready industrial lands over the long-term horizon.

Existing Conditions of Spruce Grove's Industrial Areas

Generally, Spruce Grove is well-known as a place to live and raise a family with great commercial, leisure and recreational amenities. However, as industrial market competition is tight in the Edmonton region, Spruce Grove makes up a small share of the overall industrial market and is subsequently not as well-known as an industrial player in the region.

- Spruce Grove contains a relatively large, young, growing and educated skilled labour force in close distance from its industrial areas, and the City itself is a fully urban regional service and supply centre with a trade area population of 140,000 people.
- Spruce Grove industrial areas have good access to regional road networks and major western haul routes, and is in proximity to complementary industrial businesses and supply chains and Edmonton International Airport.
- Its industrial parks contain a diverse mix of business types as well as a variety of parcel sizes within existing industrial parks.
- The City is also known for its “open for business” attitude and has demonstrated willingness to meet and work collaboratively with

developers and business owners to ensure an efficient permitting and approvals process.

- On the other hand, an abundance of smaller land parcels, lack of larger parcels, development to rural industrial standards, a lack of direct exposure to Highway 16A, as well as no direct access to a High Load Corridor or rail spur line is anticipated to have effects on the industrial users Spruce Grove can attract.
- Spruce Grove also currently lacks high-speed (fibre optic) internet connectivity, which may deter some industrial businesses.
- NAIT can provide direct access to quality training and education, which is an important factor in business growth. NAIT works directly with industry to help companies innovate and evolve which will be an asset to businesses in Spruce Grove Industrial Park and all other industrial parks within Spruce Grove

Spruce Grove faces certain challenges when it comes to attracting industrial developers and users and increasing its supply of industrial lands.

- There are only two major industrial developers in the Spruce Grove market and a shortage of vacant industrial land and available building space within Spruce Grove's existing industrial parks.
 - Most of the vacant lots have frontage onto cul-de-sacs, which are less desirable for industrial users, and impair the utility value of the land.
 - Many developers are hesitant to invest in developing additional industrial land until the western Canadian economy rebounds and activity in the industry picks up.
 - Those who are developing have expressed they are currently seeing low margins in Spruce Grove, resulting in lower construction and finishing standards, reducing the attractiveness of industrial parks
 - Regional infrastructure such as high-pressure pipelines traverse the industrial areas, which reduces building envelopes, increases building setbacks, and impairs the utility value of the land.
- Additionally, some developers and users see the CN rail line as a major challenge when it comes to accessibility in and out of the industrial parks.

Forecast Employment Land Requirements

Exhibit C presents the forecast of employment land requirements. In total, some 583 net acres (236 net hectares) of employment land in industrial areas are required throughout the 2016-2046 forecast period. This was represented by an average annual growth of some 24 acres (10 hectares) between 2016-2031 and 15 acres (6 hectares) over the 2031-2046 forecast period.

Industrial related employment land requirements forecast a total need of 571.2 acres (231.2 hectares) in industrial parks by 2046. Between 2016-2031, some 354.6 acres (143.5 hectares) of industrial employment lands are required, and an additional 216.7 acres (87.7 hectares) will be required between 2031-2046.

Exhibit C

in Industrial Parks, Spruce Grove, 2016-2046

Year	Land Based Category		Total
	Office Related	Industrial Related	
	Acres		
2016	6.4	643.6	650.0
2021	8.2	808.1	816.3
2026	10.3	922.4	932.7
2031	12.2	998.2	1,010.4
2036	14.1	1,149.5	1,163.6
2041	16.1	1,149.5	1,165.5
2046	18.1	1,214.8	1,233.0
Annual Average Growth (Acres)			
2016-2031	0.39	23.64	24.03
2031-2046	0.39	14.44	14.84
Total Growth (Acres)			
2016-2031	5.8	354.6	360.4
2031-2046	5.9	216.7	222.6
Forecast Total	11.7	571.2	583.0

Source: Altus Group Economic Consulting

Existing Supply of Vacant Employment Lands

Spruce Grove currently has existing vacant industrial land totalling approximately 109 net acres (44 net hectares) over 31 lots.

- The majority (23) of these lots are less than or equal to 4.9 acres (2.0 hectares) in size. Seven lots range in size from 5.0 acres (2.0 hectares)

to 9.9 acres (4.0 hectares), and only one lot is greater than 10 acres (4.0 hectares).

- This represents a supply for approximately 4.5 years, which falls short of the City's goal of maintaining a 10-year supply of serviced industrial land.
- Approximately 42 acres (17 hectares) of these vacant lands either remain unfinished or have physical constraints, compromising the use of these lots, including being smaller in size, having a pipeline easement running through them, limiting the building envelope, or having access provided from a cul-de-sac, which is less desirable for tenants.

Adequacy of Existing Employment Land Supply in Spruce Grove

Based on the overall forecast employment land requirements in 2026, 2036 and 2046, and the City's current available supply of 109 net acres (44 net hectares), the adequacy of existing employment lands to accommodate forecast demand over the short, medium and long term are as follows and presented in Exhibit D.

Over the long term (2016-2046), a forecast net demand for an additional 583 acres results in a net deficit of some 474 net acres and 790 gross acres to be accommodated over the 2016-2046 forecast period.

Exhibit D

Adequacy of Employment Land Supply, City of Spruce Grove, 2016-2046

	Land Area		
	2026	2036	2046
	<i>Acres</i>		
Net Supply, Available Employment Lands	109	109	109
Net Demand, Employment Lands	283	514	583
Net Deficit/Surplus	(174)	(405)	(474)
Gross Deficit/Surplus	(290)	(675)	(790)

Note: Figures are cumulative

Source: Altus Group Economic Consulting, Altus Geomatics

Evaluation of Potential Industrial Lands

Available Industrial Lands

An evaluation of Spruce Groves potential industrial lands (available undeveloped lands and expansion land areas) was conducted to determine

whether there are sufficient available industrial and expansion area lands to accommodate forecast industrial land needs.

- Between Campsite Business Park and South Century there are 542 gross acres (219 gross hectares) of undeveloped land designated for future industrial uses. This is enough to meet short term demand but not enough to meet medium term or long-term demand.
- With an annual growth rate of 40 gross acres (16 gross hectares) per year until 2031, and 25 gross acres (10 gross hectares) per year until 2046, assuming that underutilized lands are not intensified, the City can expect full build out of the available industrial lands around the year 2033, which is consistent with the Spruce Grove Growth Study suggesting depletion of available industrial lands by early 2033.
- At this time there will be a deficit of 248 gross acres (100 gross hectares). As a result, Spruce Grove must expand its boundaries to look for additional industrial lands. Alternative industrial expansion options based on intensification of underutilized lands are presented in the recommendations chapter.

Expansion Employment Lands for Spruce Grove (via Annexation)

The City of Spruce Grove has identified industrial expansion areas to accommodate its growth over the next 30 years. These expansion area lands intended to be within City limits comprise a total of 363.3 gross acres (147.0 gross hectares) of undeveloped land designated for annexation and future employment uses. They include the Southwest Industrial Expansion Area (approximately 274.6 gross acres / 111.1 gross hectares), and Southeast Industrial Expansion Area (approximately 88.7 gross acres / 35.9 gross hectares) in land area.

Upon full build out of the vacant, and available industrial lands there will be a deficit of 248 gross acres (100.4 gross hectares). However, the expansion areas can accommodate this deficit and more. As a result, the expansion employment land can accommodate the long-term demand until the year 2046, with surplus of 116 gross acres (47 gross hectares). Exhibit E shows the total potential supply of employment (industrial) land.

Exhibit E

Potential Employment Land, Spruce Grove (Gross)

<u>Industrial Park/Area</u>	<u>Land Area</u> <i>Acres</i>
Campsite	233.3
South Century	309.0
Southwest Area	274.6
Southeast Area	88.7
Total	905.6

Source: Altus Group Economic Consulting,
Altus Geomatics

Cost Model Summary

A Cost Model was developed to determine the estimated costs of bringing on new serviced industrial lands and includes but is not limited to, cost of land, off-site levies, servicing, storm water facilities, as well as grading, access etc. The approach and findings of the cost model are summarized in this section, with the detailed cost model report found in Appendix E.

Cost per Gross Acre of Industrial Land

For the purposes of this analysis, the Cost Model estimated the following raw costs of acquiring and developing vacant land into serviced industrial lands for both Urban and Rural Industrial Standards. The resulting average cost per gross acre are:

- Option 1: Urban Industrial Standards = \$207,864 excluding GST
- Option 2: Rural Industrial Standards = \$176,288 excluding GST

These costs are reflective of the gross total land area required for the industrial subdivision, costs per net saleable acre are expected to be higher and dependent on the ratio of gross to net saleable serviced industrial land area, as a portion of this gross area is required for roads, stormwater ponds and other infrastructure and utilities.

The provision of fibre optic servicing is included in these cost estimates and contribute costs of approximately \$5,111 per acre to the overall construction cost estimates.

Costs per Net Saleable Acre of Industrial Land

Based on the hypothetical industrial park subdivision with a total land area of 151 gross acres (61 gross hectares) and a total net saleable land area of 125.2 acres, to develop out the aforementioned gross 151 acres it is estimated to cost a total of approximately \$31.4 million at Urban Standards or \$26.6 million at Rural Standards. Therefore, the following estimated cost per acre of net saleable serviced industrial lands were derived:

- Option 1: Urban Industrial Standard = \$275,768 excluding GST
- Option 2: Rural Industrial Standard = \$233,877 excluding GST

The provision of fibre optic servicing is included in these cost estimates and contribute costs of approximately \$6,780 per net saleable acre to the overall land development costs for serviced industrial lands.

Revenue Analysis Summary

The revenue analysis evaluates the potential revenue forecast and overall return for a developer looking to develop unserviced vacant lands into serviced industrial lands, based on estimated construction costs, current market values and forecast growth rates. The base case feasibility scenario considers an unserviced vacant land value of \$65,000 per acre, and serviced industrial land values of approximately \$350,000 per acre, which is generally reflective of the recent average asking industrial land price as of Q1 2020, noting some of these are considered encumbered lots due to pipelines and cul-de-sacs.

- **Urban Standards:** Given urban industrial standard construction cost estimates presented in this analysis, **market land values (sale prices) for serviced industrial lands developed to urban industrial standards would need to be at least in the range of \$370,000 to \$375,000 per acre or more** to justify the minimum viable scenario of developing new serviced industrial lands in Spruce Grove.
- **Rural Standards:** Given rural industrial standard construction cost estimates presented in this analysis, **market land values (sale prices) for serviced industrial lands would need to be at least in the range of \$315,000 to \$320,000 per acre or more** for a developer to justify the minimum viable scenario of bringing on new serviced industrial lands in Spruce Grove.

At the base case scenario, the development of the hypothetical industrial subdivision is not anticipated to be feasible at the estimated development costs for urban industrial standards, although should be viable if developed to rural industrial standards.

- This may explain the recent lack of activity from existing local developers and landowners in Spruce Grove from currently bringing on new industrial land supply, and reflects what was heard during the stakeholder consultations.
- At higher anticipated serviced industrial land values (above \$400,000 per acre) the business case for developing serviced industrial lands improves. This may encourage increased industrial investment in Spruce Grove from land developers when land values reach higher values.

SUMMARY OF OPTIONS

Spruce Grove is forecast to need to increase its supply of serviced industrial lands if it is to remain viable as a location for new industrial development by ensuring an adequate supply of available serviced industrial lands over the short, medium and long term.

The options presented have been categorized into two broad approaches that the City can consider in increasing the supply of serviced industrial land. Details of the following options and actions are found in Section 9 of the report.

Approach One: Incentivize investment in Spruce Grove by existing and new industrial land developers through a combination of policy and regulatory changes to enhance the business case for developing industrial lands.

Policy-related Options

- Place a Priority on the Intensification of Vacant and Underutilized Industrial Lands.
- Place a Priority on Increasing the Amount of Serviced Industrial Land to Maintain a 10-Year Supply on a Moving Basis.
- Ensure that Development Costs Set by the City are Competitive with Other Jurisdictions.
- Enhance City Building Policies in all Planning Documents.

Incentive-related Options	<ul style="list-style-type: none"> • Streamline the Industrial Development Approvals Process. • Review Non-residential Municipal Tax Rates for Industrial Properties, and the potential application of Bill 7 Incentives. • Evaluate Further Opportunities to Defer Front-End Costs for Industrial Land Development.
Land Use Planning & Infrastructure related Options	<ul style="list-style-type: none"> • Place Focus on Higher Assessment Development. • Ensure a Full Range of Parcel Sizes are Available in Industrial Parks from 1 to 25 Acres (0.4 to 10 hectares). • Establish Separate Land Use Districts for Business Parks versus Industrial Parks.
Land Development related Options	<ul style="list-style-type: none"> • Require that Fibre Optics be Added as an Engineering Standard. • Require Best Practice Design and Layout of New Industrial Parks. • Create a High Load Corridor to Connect with Highway 60. • Improve the Services/Amenities for Employees / Commercial and Complimentary Land Uses in Industrial Parks.
Marketing & Promotion related Options	<ul style="list-style-type: none"> • Work with Edmonton Global, Commercial Realtors and Site Selectors to Increase the Awareness of Spruce Grove as an Industrial Player. • Undertake Joint Marketing Initiatives in Partnership with Industrial Land Developers. • Leverage Partnership and Catalyst Opportunities with NAIT.

Approach Two: All the options in Approach One apply to Approach Two; however, this approach takes the additional step of having the City take a more direct role in the acquisition and development of serviced industrial land.

Taking the Initiative/Lead on Pre-development Requirements

- Identify which lands are appropriate and suitable for this initiative;
- Identify which studies the City should undertake. These may include Area Structure Plans; Concept Plans; Re-designation of lands; Site Servicing and Infrastructure Reports; Storm Drainage Plans; and, Traffic Impact Assessments;
- Identify reimbursement mechanism, or if this is something the City will fund.
- Prepare a long-range plan for the development of industrial lands within the City including proposed annexation lands and associated infrastructure requirements; and,
- Complete projects in a phased approach as to direct industrial expansion.

Partnerships with Private Developers in the Servicing and Marketing of Lands

- Engage with existing Spruce Grove developers and other industrial land developers active within the region on their interest in investing in industrial land development in Spruce Grove – potentially in a venture involving the City.
- Investigate targeted infrastructure investment opportunities (i.e. roads, services, power sub-stations, etc.) where the City realizes a benefit. This would be similar to the extension of Tamarack Drive to attract a major new facility on 11 acres of land.
- Consider opportunities to option lands for future development where opportunities exist to accelerate timing or secure potentially interested developers.
- Undertake a request for proposals for the development of the city owned 18-acre industrial land parcel adjacent to the Public Works site using a similar approach as Westwind Centre and Tri-Leisure Village.
- The partially serviced land in Campsite, greenfield land south of Tamarack Drive in South Century, and vacant land in Public Works Quarter would be good opportunities to partner with developers considering a level of servicing and infrastructure currently exists.

Assuming the Role of Sole Developer	<ul style="list-style-type: none"> • Continue to monitor, review and update estimate construction costs and revenue analyses for Spruce Grove industrial lands, based on future market conditions. • Conduct detailed business case for the development and marketing of serviced industrial lands. • Engage through tender the potential design, planning, construction and development team to work on behalf of the City. • Potentially start with 18 acres of vacant land already owned by City. • Hold discussions with key stakeholders and existing land owners in Spruce Grove to gauge industry and market support, and determine potential partnerships.
Cost Model Feasibility Results	<p>Costs of Bringing on New Industrial Lands: According to the construction cost estimates and cost model applied to a new 125.2 net acre industrial park subdivision, the cost per net saleable acre of developing serviced industrial lands in Spruce Grove are approximately:</p> <ul style="list-style-type: none"> • \$275,800 per net saleable acre for urban industrial development standards; and • \$233,900 per net saleable acre for rural industrial development standards. • These cost estimates include fibre optic servicing, which contributes approximately \$6,780 per net saleable acre. <p>Estimated Required Viable Land Price: The revenue analysis conducted for the proposed 125.2 net acre industrial park projected that given the stated assumptions, serviced industrial lands in Spruce Grove would need to be priced at least:</p> <ul style="list-style-type: none"> • \$370,000 - \$375,000 per acre for industrial lands developed to urban standards; and • \$315,000 - \$320,000 per acre for industrial lands developed to rural standards.

CONCLUDING REMARKS

Spruce Grove is one of the fastest growing municipalities in the Edmonton Region, with a growing residential population base and increase in commercial retail and service offerings to serve the local resident base. However, Spruce Grove experiences much commuting outflow of its

residents to neighbouring municipalities and Edmonton for work, and so the City aims to increase employment opportunities within Spruce Grove. Key to retaining employment and talent is ensuring an adequate supply of available serviced industrial lands to facilitate efficiently accommodating demand for industrial land and space. However, in recent years Spruce Grove has had a limited supply of available serviced industrial lands and is actively pursuing strategies to increase this supply over the short to long term.

The existing vacant and available industrial lands are sufficient to meet short-term industrial land needs by 2026, but not enough to meet the future forecast medium and long-term industrial land needs to 2036 and 2046 respectively. To meet the future long-term industrial land needs, Spruce Grove has identified a substantial future expansion capacity of greenfield lands designated for future industrial development to accommodate increasing the supply of serviced industrial lands.

Given that the majority of Spruce Grove's existing available industrial lands are largely controlled by the private sector, the City has options to further incentivize private developers by supporting and improving their business case through policy, fiscal, land-use and development changes, or by the City taking a more direct role in partnering with developers or solely purchasing and developing serviced industrial lands themselves.

Ultimately, a combination of these approaches and options are likely anticipated to produce the best results for Spruce Grove in meeting its goals to increase the supply of serviced industrial lands to accommodate future industrial demand over the long-term. Further details of these options are presented in this report.

Finally, an ongoing review and evaluation of industrial market conditions is also recommended at the time of future policy or process changes to ensure continued relevancy to the economic climate and market conditions at that given time.



Economic Development Advisory Committee March 1, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

3. DELEGATIONS

- a. Industrial Land Strategy by Altus Group

PROPOSED MOTION:

That the presentation of the Industrial Land Strategy be accepted as information.

BACKGROUND/ANALYSIS:

Scott Assie and Peter Norman of Altus Group will be making a presentation on the Industrial Land Strategy for Spruce Grove. The strategy was presented to Council as information on January 18, 2021. The objectives of the strategy are to:

- Provide the City a better understanding of the existing and future state of the region's industrial sector, and the current supply and demand characteristics of the City's industrial lands
- Help the City respond to future forecasted demands for industrial lands; and,
- Provide options for ways the City can increase the supply of serviced, ready-to-go industrial employment lands.

The presentation will have the following structure:

1. Overview of the Project
2. Preliminary Findings
3. Cost & Revenue Model
4. Options & Implementation
5. Q & A

Committee members are requested to review the report summary and come prepared to provide comments on the options.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

Executive Summary – Industrial Land Strategy

Briefing – Alberta's Red Tape Reduction Initiative

What is Alberta's Red Tape Reduction initiative?

[Bill 48: Red Tape Reduction Implementation Act](#), Alberta is working towards cutting unnecessary red tape by one-third to reduce costs, speed up approvals, and make life better and easier for hard-working Albertans and businesses.

What does the Red Tape Reduction initiative hope to achieve for Albertans?

This initiative hopes to achieve the removal of needless red tape, such as duplicate processes and rules that do not add protections, which will save time, money, and resources, while protecting the environment, keeping Albertans healthy and safe, and upholding fiscal accountability. The goal is to make it easier for people to access the government services that they need and to reduce the regulatory burden on job creators to encourage investment, boost Alberta's competitiveness, and get more Albertans back to work.

How is the Red Tape Reduction initiative being implemented?

The appointment of industry panels

Industry panels have been appointed and are made up of industry leaders across Alberta. They work together with the Associate Minister of Red Tape Reduction by assisting him in identifying the regulatory burdens that hold back their respective sectors, where they continue to meet on a bi-annual basis to provide reports to the Minister.

These industry panels help identify unnecessary red tape in key sectors of Alberta's economy, as well as help leverage their expertise, experiences, and ideas to make the province a more welcoming place to conduct business. Industry panels will continue to identify regulatory burdens that hold back the respective sectors, provide feedback on current and upcoming initiatives, and find ways to improve every area of Alberta's economy to promote job growth in a way that is safe and efficient for every Albertan and their families.

The following three sectors that have already launched are: Tourism and Hospitality, Oil and Gas, and Small Business. The following sectors that will launch in the future will be: Manufacturing, Forestry, Agriculture, Agri-Food, Bio-Industrial, Non-Profit, and Construction.

Reporting requirements from municipalities

In order to receive funding under the Municipal Stimulus Program (MSP), municipalities were required to make measurable progress in at least one of the areas, develop a red tape reduction plan, and report it to Municipal Affairs by submitting the [Red Tape Reduction Report Template](#) by February 1st, 2021. If no progress was made in 2020, municipalities may still complete the section of the form about their future plans to meet this commitment in 2021.

Municipalities must report on actions taken to support the following objectives:

1. Make it easier to start-up a new business;
2. Streamline processes and shorten timelines for development and permit approvals; and
3. Make your municipality a more attractive destination for new investment and/or tourism.

From this point on, Municipal Affairs will review the submitted plan and determine whether it is sufficient based on the circumstances of that given municipality. The form must be approved by the Minister before the 2021 MSP payment will be released. Municipalities will undertake their plan and will be required to report on concrete progress using a separate form by February 1, 2022. This form includes examples of ways in which local governments may reduce red tape based on their local circumstances and to develop a plan or action to achieve their chosen objectives.



Economic Development Advisory Committee March 1, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. BUSINESS ITEMS

- a. Alberta Red Tape Reduction Initiative - Walker

PROPOSED MOTION:

That EDAC members review and report back on potential recommendations which could be considered as part of Alberta's Red Tape Reduction initiative.

BACKGROUND/ANALYSIS:

Alberta's Red Tape Reduction initiative aims to remove needless red tape by one-third to reduce costs, speed up approvals, and save time, money, and resources. These efforts will help to streamline processes and make life easier for workers and businesses in Alberta.

Municipalities are required to make measurable progress in at least one of the areas:

1. Make it easier to start-up a new business;
2. Streamline processes and shorten timelines for development and permit approvals; and
3. Make your municipality a more attractive destination for new investment and/or tourism.

Committee members are asked to consider and bring forward recommendations for red tape reduction in response to the three questions in the preceding paragraph for review at the June 1 EDAC meeting. These recommendations would be then forwarded on to City Administration for consideration.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

Brief on Alberta's Red Tape Reduction Initiative



Economic Development Advisory Committee March 1, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. BUSINESS ITEMS

- b. Review of the 2021 Annual Workplan - Stevenson

PROPOSED MOTION:

That the 2021 Annual Workplan be approved by EDAC as discussed.

That a member (name to be inserted) of EDAC be appointed to present the 2021 Annual Workplan to Council.

BACKGROUND/ANALYSIS:

In accordance with the Economic Development Advisory Committee Bylaw C-1121-20, the Committee is required to develop an annual work plan for Council approval that identifies key priorities and goals based on its mandate and bylaw.

Based on the discussion at the December 7th EDAC meeting, the following draft workplan has been prepared.

- March 2021: Review of the recommendations from the Industrial land Strategy and identification of issues to be reviewed as part of the Red Tape Reduction Initiative.
- June 2021: Review of the findings and recommendations from the Broadband Business Plan and follow-up on progress of the Red Tape Reduction Strategy.
- September 2021: Consideration of the Tri-Municipal Regional Plan Project findings and recommendations.
- December 2021: Start process to update the SG Economic Development Strategy

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

n/a

Economic Development Advisory Committee (EDAC) 2020 – 2021 Meeting Schedule

2020 Special EDAC Meetings

Monday, December 7

2021 Regular EDAC Meetings

Monday, March 1

Monday, June 7

Tuesday, September 7

Monday, December 6



Economic Development Advisory Committee March 1, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. BUSINESS ITEMS

c. 2020-2021 Economic Development Advisory Committee Meeting Schedule - Stevenson

PROPOSED MOTION:

That the 2020-2021 Economic Development Advisory Committee schedule of meeting dates be approved as amended.

BACKGROUND/ANALYSIS:

In accordance with the Economic Development Advisory Committee Bylaw C-1121-20, the Committee is required to establish a meeting schedule that specifies the date, time and place of all regular Committee meetings. The bylaw further sets out that the Committee is required to meet on a quarterly basis.

The EDAC meeting schedule that was approved at the October 29, 2020 Inaugural EDAC meeting has been amended. This is due to the meeting scheduled for September 6, 2021 falling on a statutory holiday. This date has been changed to September 7, 2021.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

2020-2021 Economic Development Advisory Committee Meeting Schedule (amended).