

## Update: Economic Development - Heartland

**Initiative Title:** Alberta's Industrial Heartland Association (AIHA)  
**City Council Lead(s):** Mayor D. Iveson, Councillor E. Gibbons  
**Department Lead(s):** Sustainable Development, Gary Klassen/Paul Ross

### **Recommendation - Renew for 2017-2021 Council Term**

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#### **Objective:**

Alberta's Industrial Heartland Association (AIHA) is a not-for-profit association made up of five municipal partners (City of Edmonton, City of Fort Saskatchewan, Lamont County, Strathcona County and Sturgeon County) and three associate members (the Towns of Bruderheim, Gibbons and Redwater) that partner to provide a common approach to promote and support industrial development in a 582 square kilometer area marketed as Alberta's Industrial Heartland. The association strives to provide a coordinated approach to hydrocarbon industrial servicing and infrastructure development, complementary regional industrial planning, advocacy and marketing for value-added services and support for eco-industrial planning practices.

#### **Key outcomes, projects or activities and their status as of April 2017:**

- The City, along with its AIHA partners, continues to promote the joint strengths of the region as a logistics, transportation and business hub. There is currently over \$35 billion invested to date in the region, and an additional \$14 billion is under construction or planned in the near term.
- New investment efforts are focused on oil sands logistics, natural gas processing and manufacturing.
- Pembina/PIC and Inter Pipelines (formerly Williams Energy Canada) were the successful applicants of the Government of Alberta's new, \$500 million royalty credit, Petrochemical Diversification Program. The two projects will process propane, extracted from natural gas, into polypropylene pellets that could be used as a feedstock by existing Edmonton manufacturers as well as promoted as cost advantage feedstock to attract new manufacturing facilities to Edmonton.
- The region's transportation network is a top priority, as recent industrial and municipal growth has created significant challenges. The Association has worked closely with the provincial government and local industry-related stakeholders to improve the transportation network. In March 2017, The Government of Alberta announced \$10 million dollars towards the twinning of Highway #15 bridge.
- The Chair of the AIHA is a 2-year rotating position that is replaced by the Vice Chair at the end of each term. Board of Directors member and City of Edmonton Councillor Ed Gibbons two year term as the Association's Chair will conclude following the October 2017 municipal election with the Mayor of Fort Saskatchewan assuming the role of Chair at that time.

- The Edmonton Energy and Technology Park (EETP) is located in Alberta's Industrial Heartland and has been designed to capitalize on servicing Northern Alberta's thriving resource extraction industry and growing the manufacturing sectors including the petrochemical industry. Its total area is approximately 5,218 hectares (ha) and it includes four land use precincts: Petrochemical Cluster, Manufacturing, Logistics, and Research and Development.
- Administration has been undertaking an Investment Readiness Initiative for the EETP that is designed to make it more attractive for investment by adjusting arterial road alignments to increase transportation efficiencies and reduce costs. The project has focused on aligning the EETP Area Structure Plan (ASP) with current industrial marketplace needs and carrying out technical studies to address petrochemical, environmental, social and infrastructure requirements. This includes:
  - Reducing the time required to approve major projects;
  - Exploring new infrastructure options and solutions; and
  - Attracting private investment to an eco-industrial hub.
- Recent work to support industrial development in the EETP includes:
  - Proposed Area Structure Plan Amendments targeted for completion in 2017 to:
    - revise the arterial road network, thereby improving efficiencies for land development and servicing;
    - consolidate the Manufacturing and Logistics precincts into a Medium Industrial Precinct.
  - Zoning Text Amendment application in 2017 to create a new EETP Medium Industrial zone to implement the consolidated Medium Industrial Precinct, providing for an increased range of uses and,
  - Completing a range of technical feasibility and infrastructure studies related to the EETP.

### Future Steps:

- The City, through AIHA will continue to promote Alberta's Industrial Heartland to national and international investors through missions on behalf of and in cooperation with Administration.
- The City and AIHA will continue to advocate for increased value-added resource development in the province including more development in petrochemicals, refining, and upgrading.
- Administration is continuing work on the investment readiness initiative for the EETP by working on storm water management and transportation network solutions.

### Evaluation

The City of Edmonton has committed long term support to Alberta's Industrial Heartland, therefore it is important that this initiative continues. The City's Regional and Economic Development Department works closely with the Heartland on investment attraction initiatives that will benefit Alberta's industrial Heartland and the entire Edmonton

## **Attachment #5**

Metropolitan Region through the provision of staff, financial contributions and supporting resources. There continues to be an integrated relationship between AIHA and the Regional and Economic Development's Economic Investment and Development Unit. The AIHA is focusing on implementing the three year investment attraction plan, resolving transportation issues and working to grow a safe and sustainable hydrocarbon processing cluster.

Administration recommends Council's continued support of this initiative.