



URBAN PLANNING AND ECONOMY
ECONOMIC INVESTMENT SERVICES

Edmonton

INDUSTRIAL INVESTMENT ACTION PLAN

2024

City of Edmonton



LAND ACKNOWLEDGEMENT

The City of Edmonton acknowledges the traditional land on which we reside, is in Treaty Six Territory. We would like to thank the diverse Indigenous Peoples whose ancestors' footsteps have marked this territory for centuries, such as nêhiyaw (Cree), Dene, Anishinaabe (Saulteaux), Nakota Isga (Nakota Sioux), and Niitsitapi (Blackfoot) peoples. We also acknowledge this as the Métis' homeland and the home of one of the largest communities of Inuit south of the 60th parallel. It is a welcoming place for all peoples who come from around the world to share Edmonton as a home. Together we call upon all of our collective, honoured traditions and spirits to work in building a great city for today and future generations.

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EXECUTIVE SUMMARY

Industrial investment is an essential part of maintaining the City of Edmonton's fiscal sustainability. It helps the City maintain core services and advance key priorities needed to be healthy, urban, and climate-resilient in a prosperous region. The City Plan's Big City Move, Catalyze and Converge, directs us to create conditions where we are continually improving the City's competitiveness in a changing world. The City Plan also identifies several focus areas that are relevant for industrial investment, which include investment attraction, goods movement, industrial land supply, and employment growth. In addition, Action 7 in the Economic Action Plan identifies the need to align the Industrial Investment Action Plan (IIAP) with other work currently underway.

The 2016 Industrial Investment Action Plan set a path to increase Edmonton's industrial tax base by encouraging industrial growth through nine actions. Since the initial plan, the ecosystem has evolved. A refresh of the 2016 IIAP was needed to realign it to current realities, including structural changes in the global energy market, the creation of Edmonton Global, and the development of the City Plan and the Economic Action Plan. More urgently, the City is grappling with the proportional decline of its non-residential tax base when compared to its residential tax assessment. This has highlighted the need to increase industrial growth and investment to maintain fiscal sustainability.

Through its nine actions, the 2024 IIAP will increase industrial development in Edmonton. Although there are many factors that can impact the overall benefits, the actions in the plan should have a positive impact on growing the industrial tax base.

For the purpose of this plan, industrial investment or development, refers to land use activities, services, or emerging technologies related to research and development, production, testing and movement of goods. It also includes manufacturing, processing, refining, producing, researching, testing, transporting, and other activities involved in the creation, support and distribution of physical products. These activities generally exist within the industrially zoned areas of the city, but some uses are allowable outside of designated industrial zones. Industrial economic development efforts often focus on promoting growth, innovation, competitiveness, and sustainability within these sectors to drive overall economic prosperity.¹

METHODOLOGY To develop the 2024 IIAP, the City led the project delivery with the assistance of three external vendors: KPMG, Nichols Applied Management, and ISL Engineering (the consultants). The consultants completed a review of relevant regulatory, policy, and strategic frameworks from the City, other relevant levels of government, and related organizations. They also conducted an assessment of the City's competitive position relative to other jurisdictions, developed a Current State Assessment of the City's industrial lands and competitive position relative to other jurisdictions, and developed recommendations for the formation of updated actions. The City then summarized these results and developed a refreshed 2024 Industrial Investment Action Plan with updated actions, insight and activities.

ENGAGEMENT Six round table sessions were held with 37 external stakeholders individuals from 20 organizations, including industry organizations (Urban Development Institute,

¹ City of Edmonton's definition used for the purpose of taxation and assessment.

NAIOP, BOMA), utilities (EPCOR, ATCO), economic development agencies (Alberta's Industrial Heartland Association (AIHA), Edmonton Global, Edmonton Unlimited, and Alberta Innovates), and a number of industrial businesses. A second round of engagement sessions were conducted with many of the same industrial stakeholders to present the updated actions and verify that each action reflected the intent of what was heard.

The City also engaged with Indigenous organizations to gather feedback to inform the development of the 2024 IIAP. Consultation and engagement with indigenous, ethnocultural and all other equity deserving communities is still ongoing and follows a timeline which respects the different ways of being and doing.

CURRENT STATE OF INDUSTRIAL The Current State Assessment and competitive analysis concluded that in the industrial landscape, the City faces a number of challenges particularly when compared to its major competitors in the Edmonton region, the cities of Calgary and Winnipeg, while offering a number of competitive advantages and strengths. The following is an overview of Edmonton's key competitive advantages, strengths and challenges.

COMPETITIVE ADVANTAGES AND STRENGTHS²

- A. As Alberta's second largest city, Edmonton benefits from competitive provincial corporate and income tax rates.
- B. Edmonton does not have a Machinery & Equipment tax as compared to many of its regional neighbours that do. This is most impactful for large manufacturing and processing facilities.
- C. In 2024, Edmonton has a vacancy rate of 4.2% and an availability rate of 8%, which represents an optimum range and balances the supply and demand of industrial property.
- D. Edmonton has a large undeveloped industrial land supply with a diverse spectrum of parcel sizes available from less than 2 hectares to more than 10 hectares.
- E. Edmonton's industrial property values are significantly lower compared to other major cities across the country making the City more desirable from a financial perspective to locate a business.
- F. Edmonton is home to a number of universities, research institutions, and innovation hubs.
- G. Edmonton has an extensive road, rail and air transportation network and is strategically located, connecting Canada's North and the Pacific Coast to the rest of the continent.
- H. Edmonton's population continues to grow, which is increasing its labour force with young and skilled workers. This growth is expected to continue well into the future.
- I. Edmonton is in close proximity to a number of natural resources within the petrochemical, net-zero hydrogen and agricultural industries.
- J. A large portion of Edmonton's industrial areas offer a number of amenities not seen in many of the other regional industrial areas, such as access to transit and parks. As well, the city offers a range of housing options including high density rentals, and a number of recreation centres. However, additional amenities need to be extended to all areas of the city (including infrastructure (water, sanitary sewer, franchise utilities, roads, sidewalks, curb, gutter and storm drain) and transit).

CHALLENGES³

² Attachment 6 - Current State of Industrial

³ Attachment 6 - Current State of Industrial

- A. The City is disadvantaged relative to its regional competitors on tax rate, land costs, and more stringent design standards that inflate development costs. In 2010, Edmonton's non-residential tax rate was 1.5 times the average rate of surrounding municipalities; by 2022, Edmonton's rate was 2.3 times the average rate.⁴
- B. Stakeholders advised that there is no guidance on how flexible a developer can be when applying for flexible design standards.
- C. Stakeholders identified that the City has a more complex permitting process than surrounding municipalities. This inefficiency can be a barrier to the speed of development.
- D. Stakeholders identified the City does not have a dedicated permitting service for all industrial developers.
- E. There are existing industrial areas within the city with low to no infrastructure servicing and public transit service.
- F. Stakeholders identified that the City's industrial focus and target sectors are relatively unknown and not well communicated.
- G. Stakeholders advised that it is difficult to find information related to investment attraction, target sectors and support.
- H. The City is currently disadvantaged nationally on higher utility costs driven by the Province's dependency on natural gas for electricity generation.
- I. Engagement has not occurred with Indigenous, ethnocultural and other equity deserving communities to reduce barriers to investment and entrepreneurship.
- J. Engagement has not occurred with Indigenous Communities on the identification of culturally sensitive and significant areas in established or new non-residential areas of the city.
- K. Edmonton's share of non-residential assessment in the region has substantially declined from 72 per cent of the region's base in 2008 to 60 per cent in 2022. This declining share of the non-residential tax base compromises the fiscal sustainability of the City and its ability to generate revenues.

TARGET SECTORS The following target sectors have been identified based on the City's strategic priorities, existing sector presence, presence of necessary inputs, and positive medium and long-term economic outlooks:



**Advanced
Manufacturing**



**Artificial
Intelligence &
Technology**



**Energy & Clean
Technology**



Food Processing



**Health & Life
Sciences**



**Transportation
& Logistics**

Our traditional approach to Industrial land use is divided between light, medium and heavy industrial zoning. It applies a standardized approach for all sectors. A targeted approach fosters clustering of businesses, encourages densification and thereby increases the attractiveness of industrial areas in the city.

LAND AVAILABILITY ANALYSIS Currently, Edmonton has approximately 133 hectares of shovel-ready industrial lands in the southeast, southwest and northwest areas of the city. Although Edmonton has available shovel-ready lands, they are not appropriate for all sectors, as they often do not meet the needs of some investors who require much larger parcel sizes.

⁴ The average non-residential tax rate of surrounding municipalities is calculated as the average of all EMRB municipalities excluding Edmonton.

Currently; Edmonton has an unserviced Industrial Land Supply of 5,567 net developable hectares. The analysis identified key locations which contain the largest amounts of unabsorbed lands. 26% of these lands are ready for land developers to develop the lands to a shovel-ready state, 17% require new statutory plans and the remaining lands are located in the Edmonton Energy and Technology Park (EETP) which represents the majority of the unserviced land.

Stakeholder consultation identified that the City needs to differentiate its land supply into “shovel-ready”, “medium” and “long-term” categories to provide clarity to developers on current land supply. The City should also incorporate market conditions in understanding supply. This includes factoring in tax rates and competition for industrial investments within the Region.

ACTIONS The following actions outline a comprehensive strategy committed to increase industry development in the City. Each action has been carefully developed to leverage the city's strengths, mitigate weaknesses, capitalize on opportunities, and overcome challenges identified through the current state assessment, competitive analysis, land availability analysis, and stakeholder engagement.

The 2024 IIAAP actions are as follows:

Action 1: Market and promote the industrial advantages of Edmonton

Action 2: Establish and maintain an industrial infrastructure prioritization tool

Action 3: Increase efficiency and improve business processes for industrial development

Action 4: Develop a guiding framework for flexibility in the City's design standards

Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton

Action 6: Remove barriers for ethnocultural and all equity deserving communities for participating in Edmonton's industrial development

Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities

Action 8: Identify and tailor programs and incentives for target sectors, that will provide a strong return to the City's tax base and advance strategic objectives

Action 9: Monitor progress and results of the Industrial Investment Action Plan.

Through the implementation of these actions, the City is committed to enhancing its investment attraction efforts, increasing business expansion, creating jobs, improving employment opportunities for local residents, enhancing the competitiveness of the city's industrial sectors in regional and global markets, reducing environmental impact, introducing sustainable industrial practices, strengthening public-private partnerships, and supporting technological advancement and innovation-driven economic growth.

INTRODUCTION

As the provincial capital and one of Canada's major cities, Edmonton plays a central role in Alberta's industrial economy. Representing 25% of provincial employment in 2023⁵, Edmonton is a key hub for various industries including energy, manufacturing, agriculture, technology, health, life sciences and logistics, driving economic growth and prosperity across the country.

Edmonton is strategically located and acts as both the trade gateway to Canada's North, and as a key global connection with the Asia Pacific market and the rest of the continent through the port of Prince Rupert as well as the Edmonton International Airport. Edmonton is home to several world-class education, research and innovation institutions, and is in close proximity to a number of natural resources within the petrochemical, net-zero hydrogen and agricultural industries.

Edmonton is also well positioned as one of the most affordable cities in the world for housing compared to other large cities⁶. We are diverse, welcoming and have a growing, young and highly skilled workforce which positions Edmonton as a unique place for industrial investment.

Over the past eight years, the City's industrial strategy has been guided by the 2016 Industrial Investment Action Plan (IIAP). This 2024 refresh of the IIAP is guided by the need to increase industrial development, and provides strategic direction to enhance investment attraction, increase business expansion, create jobs, improve employment opportunities for local residents, enhance competitiveness of the city's industrial sectors in regional and global markets, reduce environmental impact, introduce sustainable industrial practices, strengthen public-private partnerships through collaboration, and support technological advancement and innovation-driven economic growth.

The 2024 IIAP contains new and updated actions to advance the direction provided in the City Plan and the City's Economic Action Plan. Of note, the 2024 IIAP takes a targeted sector approach to industrial investment and development. A sector based approach allows the City to target attraction activities and incentives towards sectors, which align with what Edmonton has to offer. Nine actions have been developed and will be undertaken by the City over the next ten years, each outlining strategies for coordinating efforts with key stakeholders in Edmonton's industrial ecosystem.

In the context of this IIAP industrial investment or development, refers to industrial land use activities related to the research and development, production, testing and movement of goods, the provision of services that support the research and development, production and movement of goods as well as activities related to emerging technologies that support the research, development, production, testing and movement of goods. This includes manufacturing, processing, refining, producing, researching, testing, transporting, and other activities involved in the creation, support and distribution of physical products. These land use activities exist within the industrially zoned areas of the city but some uses are allowable outside of industrial zones. Industrial economic development efforts often focus on promoting growth, innovation, competitiveness, and sustainability within these sectors to drive overall economic prosperity.

⁵ 2023 provincial employment estimate: Table 14-10-0327-01 Statistics Canada. 2023 Edmonton Employment estimate: City of Edmonton and Stokes Economics Spring 2024 economic outlook

⁶ Urban reform institute - Demographia-International-Housing-Affordability-2022-Edition

GUIDING PRINCIPLES

Industrial land is an essential part of our city and is vital to support employment and business growth. As Edmonton's population grows to two million, the IAP will help us respond to and prepare for growth. Development of the IAP was guided by the following four principles:

SUSTAINABILITY Edmonton's economic growth should drive the City's prosperity while also strengthening our natural areas and advancing our city's climate resilience. As a livable city, industrial development and sustainability must be partners, not competitors. To lighten our collective footprint, The City Plan's Big City Move - Greener As We Grow, is a commitment to use growth as a catalyst for innovation, good design and conscientious decisions. Flowing from The City Plan's commitment, the guiding principle of Sustainability provides a clear path forward where we can continue to grow our industrial tax base while also paying attention to how we protect our city from the impacts of climate change. This principle challenges us to find new ways of growing economically while still caring for the land, air, water and biodiversity.

INCLUSIVITY Edmonton is continually aspiring to be a welcoming and healing city where Edmontonians show their community spirit and openness by caring for one another, cheering on new ideas and supporting innovation. Edmonton is culturally diverse, and this diversity will continue to grow over time. Flowing from The City Plan's Big City Move - Inclusive and Compassionate, the guiding principle of Inclusivity, means we are rooted in concepts and efforts to improve equity, end poverty, eliminate racism and make clear progress towards Truth and Reconciliation. These are complex, multi-faceted problems that require a number of different approaches. Edmontonians know that making a great city of any size depends on empathy and looking out for one another. The more we provide opportunities for all Edmontonians, the stronger we all become.

INNOVATION Edmonton must strive to be at the centre of innovation, creativity and technology. Deliberate efforts must be made to create an environment where businesses, academic and health institutions, the arts and technology can meet, collaborate and drive one another. Edmonton must support the industrial economy and made-in-Edmonton businesses to grow and expand into new markets. Flowing from The City Plan's Big City Move - Catalyze and Converge, the guiding principle of Innovation is to continually improve Edmonton's competitiveness and readiness in a changing world. We must create the conditions, places and partnerships to become a creative and entrepreneurial hub around which investment, innovation, technology, and new talent will gather.

RESILIENCE Edmonton must reimagine and rebuild what we want our city to be and what it must become in order to adapt to a changing future. We will evolve to meet new demands and opportunities, while respecting the past. Our community will only thrive if we can adjust and be creative in the face of change. Flowing from The City Plan's Big City Move - Rebuildable City, the guiding principle of Resilience is our way of planning for a future to keep our city vibrant and livable in the face of shifting local and global trends. Building resiliency is the best way to ensure that our efforts are always moving towards a better and more efficient city.

STRATEGIC DIRECTION

The 2016 IIAP set a path to increase industrial development in Edmonton through nine actions. Since the initial plan, the ecosystem has evolved. A refresh of the initial plan was needed to realign it to current realities, including structural changes in the global energy market, the creation of Edmonton Global, and the development of the City Plan and the Economic Action Plan. More urgently, the City is grappling with the proportional decline of its non-residential tax base when compared to its residential tax assessment. This has highlighted the need to increase industrial growth and investment to maintain fiscal sustainability.

CITY PLAN City Plan provides strategic directives and guidance for the City's economic development activities. It sets the direction to ask: *what choices do we need to make to be a healthy, urban and climate resilient city that supports a prosperous region?* It guides policy for how Edmonton grows, including how to plan for an estimated 520,000 new jobs by the time we reach two million people, and the City Plan's Big City Move: Catalyze and Converge directs us to create conditions that continually improve the City's competitiveness in a changing world.

A Fit-Gap analysis of the IIAP and the policy direction of the City Plan was completed and demonstrated alignment. This Fit-gap analysis has been included as Attachment 1.

ECONOMIC ACTION PLAN The City's Economic Action Plan serves as a roadmap to build a vibrant, inclusive, and sustainable economy through tangible actions, to support job creation, foster industry diversification, and support emerging markets. Action 7 in the Economic Action Plan identifies the need to align the IIAP with other work currently underway. A Fit-Gap analysis of the IIAP and the Economic Action Plan is included as Attachment 2.

COMMUNITY ENERGY TRANSITION STRATEGY AND ACTION PLAN The City's Community Energy Transition Strategy and Action Plan provides a path forward for a low carbon city and is the City's climate change mitigation plan. A Fit-Gap analysis of the IIAP and the Energy Transition Strategy is included as Attachment 3.

ASSESSMENT AND TAXATION The City will need to continue to monitor the growth of residential development against the growth of industrial development. In general, throughout most of Canada and the United States, the residential sector receives proportionately more benefit from municipal services than the non-residential sector; concurrently, the non-residential sector pays significantly higher taxes than the residential sector. Consideration should be given to the size of the industrial tax base relative to the residential tax base, and non-residential tax rates relative to both residential tax rates and non-residential tax rates in neighbouring municipalities.

With an annual tax-supported operating expenditure budget of approximately \$3.5 billion, the City heavily relies on residential and non-residential property taxes, which constituted 58% of its revenue in 2023⁷. This dependency on property taxes is a common feature in many Canadian municipalities, but it also places a significant burden on homeowners and businesses. Although the ability to offer tax incentives exist, such as section 364.2 of the MGA, they have yet to be used to incentivize industrial investment in the City. If they were to be used, the City must be strategic to further major industrial investment only where there is

⁷ [Approved Operating Budget City of Edmonton - 2023 Adjusted Budget](#)

a benefit to the City through an appropriate increase in the industrial tax base. This would enable city residents to enjoy benefits of inward investment beyond just job creation. The industrial tax base is the backbone of City finances, and should therefore be monitored closely.

GENDER-BASED ANALYSIS PLUS The City used Gender-Based Analysis Plus (GBA+) in the development of the IIAP to account for inequities some Edmontonians face when accessing investment or other opportunities to prosper. This equity lens resulted in equity considerations being directly incorporated into some of the new actions.

ANTI-RACISM STRATEGY The City's Anti-Racism Strategy informed engagement with Indigenous, ethnocultural and other equity deserving communities. It noted that the City's systems and processes are inherently different in the ways of thinking and being. For this reason, engagement has followed a different timeline and process that respects different ways of being and doing.



ENGAGEMENT

The refreshed 2024 IIAP was informed by two rounds of industrial stakeholder engagement and one engagement session with Aksis Edmonton's Indigenous Business and Professional Association.

INITIAL STAKEHOLDER ENGAGEMENT The initial engagement sessions focused on gathering feedback on the 2016 IIAP to inform the development of updated actions. Six round table sessions were held with 29 industry stakeholders from 17 organizations, including representatives from EPCOR (power, water and wastewater), ATCO (gas and energy), the Urban Development Institute, BOMA, the Commercial Real Estate Development Association NAIOP, Alberta's Industrial Heartland Association (AIHA), Edmonton Global, Edmonton Unlimited, Alberta Innovates, industrial land developers and business owners. A What We Heard Report is included as Attachment 4.

In addition to the external stakeholder engagement, internal stakeholder interviews were conducted with subject matter experts from departments from across the City.

INDIGENOUS ENGAGEMENT the City also engaged with Indigenous organizations to gather feedback to inform the development of updated and new actions for the 2024 IIAP. Organizations consulted included representatives from Sublatus and Aksis, Edmonton's Indigenous Business & Professional Association. Consultation and engagement with indigenous, ethnocultural and all other equity deserving communities is still ongoing and follows a timeline which respects the different ways of being and doing.

SECOND STAKEHOLDER ENGAGEMENT A second round of engagement sessions were hosted with many of the same industrial stakeholders that participated in the previous sessions. Overall, the feedback was positive, and illustrated support of the proposed actions by stakeholders, emphasizing the importance of clear communication to effectively market and position Edmonton's industrial advantages. Stakeholders also supported highlighting and focusing on sector-specific strengths and supported the City's proposed sector approach. Stakeholders also agreed with the need for strategic alignment and collaboration to prioritize infrastructure investments, enhance process improvements, seek efficiencies to reduce barriers to industrial development, and to identify and tailor support to attract targeted sectors. Stakeholders also emphasized the importance of ongoing monitoring and evaluation to track progress and measure the success of the IIAP.

During this engagement session stakeholders were asked to identify the top three actions they would like to see the City prioritize in its implementation of the IIAP. The top three actions identified, in order of priority, are:

1. Action 2: Establish and maintain an industrial infrastructure prioritization tool
2. Action 3: Increase efficiency and improve business processes for industrial development
3. Action 1: Market and promote the industrial advantages of Edmonton

While all actions will be implemented over the life-span of the IIAP, the prioritization identified by stakeholders will be used to inform the City's IIAP implementation and resourcing plan. A summary of the feedback we heard from this second round of engagement is included as Attachment 5.

METHODOLOGY

To develop this IIAP, the City led the project delivery and drafting of the final deliverables. KPMG, Nichols Applied Management and ISL Engineering (the consultants) were hired to lead and assist in the refresh of the IIAP, building on the strategic direction provided by the City Plan and the Economic Action Plan. The following provides an overview of the methodology that was followed:

MANDATE The City began the development of the IIAP by establishing the following mandate: That the IIAP develop actions to increase industrial development in Edmonton.

OBJECTIVES The City articulated that the IIAP should aim to achieve:

- A. Increased investment and business expansion in Edmonton.
- B. Job creation and improved employment opportunities for local residents.
- C. Enhanced competitiveness of Edmonton's industrial sectors in regional and global markets.
- D. Technological advancements and innovation-driven economic growth.
- E. Sustainable industrial practices and reduced environmental impact.
- F. Strengthened public private partnerships and collaboration.

GUIDING PRINCIPLES To ensure that the development of the IIAP was built on the direction provided by The City Plan and the City's Anti-Racism Strategy, the City developed the following four guiding principles: Sustainability, Inclusivity, Innovation and Resilience.

GOVERNANCE AND COMMUNICATION The City established an internal working group including members from across all relevant departments to guide the development of the IIAP as well as an internal steering committee to oversee the approval of the deliverables. Regular meetings and communication were held with the two committees to set direction, review and approve deliverables.

CRITERIA TO EVALUATE ACTIONS In collaboration with the internal working group, KPMG developed the following evaluation criteria to vet the recommended actions:

- A. Degree to which the action has potential to significantly advance outcomes.
- B. Degree to which the action targets investment in the City's target sectors.
- C. Anticipated time to benefit realization of the action and degree to which actions can be implemented within an acceptable time frame.
- D. Degree to which the action promotes investments consistent with the City's environmental objectives.
- E. Degree to which the action promotes investments consistent with the City's social objectives.
- F. Degree to which the action is feasible within the City's capacity, legislative framework, and jurisdiction to implement.
- G. Degree to which upfront investment is:
 - i. Within the City's capacity and risk acceptance.
 - ii. Likely to generate positive return/benefit.

DOCUMENT REVIEW The consultants reviewed relevant regulatory, policy, and strategic frameworks from the City of Edmonton, other relevant levels of government, and related organizations.

DATA COLLECTION, FORECASTING & ANALYSIS The consultants collected relevant data, conducted forecasting, and provided analysis on recent macroeconomic trends and other factors that could influence future growth for industrial lands in Edmonton and the broader regional market over the coming decades. The analysis evaluated regional growth drivers that could impact the type, amount, and location of future employment growth on industrial lands within Edmonton, relative to the surrounding municipalities in the region.

STAKEHOLDER ENGAGEMENT KPMG and the City undertook stakeholder with internal and external stakeholders to obtain various perspectives on the key challenges and strengths of the existing industrial investment activities, and areas of opportunity and focus for the IIAP. A summary of the engagement activities can be found above in the Engagement section and the What We Heard Report included in Attachment 4.

CURRENT STATE ASSESSMENT KPMG and ISL Engineering undertook a review of the current state of Edmonton's industrial lands including a compilation, assessment and documentation of:

- A. Existing industrial land supply and land inventory profile
- B. Industrial land absorption trends
- C. Employment growth
- D. Industrial ecosystem and partners
- E. Current and emerging sectors/markets
- F. Available incentives and enabling policies

A summary of the current state assessment is included in Attachment 6.

COMPETITIVE ANALYSIS KPMG conducted an assessment of Edmonton's competitive position relative to other jurisdictions. The analysis considered factors such as market size, growth rate, market share, industry trends, customer demands, regulatory environment, government incentives and competitive landscape. The competitive analysis provided insights into the current state of Edmonton's industrial market and identified options to enhance competitiveness and sustain growth over the long term. A summary of results from the competitive analysis is included in Attachment 6.

RECOMMENDED FUTURE STATE Based on the findings from the current state assessment and competitive analysis, KPMG developed a series of recommendations for the formation of updated actions.

INDUSTRIAL INVESTMENT ACTION PLAN The City reviewed the recommendations from KPMG with the internal working group and developed nine actions. Engagement sessions were held with internal and external stakeholders to vet, update and prioritize the actions. The City then summarized the results of this initiative and developed a refreshed 2024 IIAP with updated actions, insight and activities.

CURRENT STATE OF INDUSTRIAL

The assessment of Edmonton's current state provided an overview of the City's industrial investment attraction potential and its current positioning within the competitive landscape.

The Current State Assessment and competitive analysis concluded that in the industrial landscape, the City faces a number of challenges particularly when compared to its major competitors in the Edmonton region, the cities of Calgary and Winnipeg, while offering a number of competitive advantages and strengths. The following is an overview of the City's key competitive advantages, strengths and challenges. A full summary of strengths, weaknesses, opportunities and threats, and additional findings from the Current State Assessment and competitive analysis is included in Attachment 6.

COMPETITIVE ADVANTAGES AND STRENGTHS⁸

- A. As Alberta's second largest city, Edmonton benefits from competitive provincial corporate and income tax rates.
- B. Edmonton does not have a Machinery & Equipment tax as compared to many of its regional neighbours that do. This is most impactful for large manufacturing and processing facilities.
- C. In 2024, Edmonton has a vacancy rate of 4.2% and an availability rate of 8%, which represents an optimum range and balances the supply and demand of industrial property.
- D. Edmonton has a large undeveloped industrial land supply with a diverse spectrum of parcel sizes available from less than 2 hectares to more than 10 hectares.
- E. Edmonton's industrial property values are significantly lower compared to other major cities across the country making the City more desirable from a financial perspective to locate a business.
- F. Edmonton is home to a number of universities, research institutions, and innovation hubs.
- G. Edmonton has an extensive road, rail and air transportation network and is strategically located, connecting Canada's North and the Pacific Coast to the rest of the continent.
- H. Edmonton's population continues to grow, which is increasing its labour force with young and skilled workers. This growth is expected to continue well into the future.
- I. Edmonton is in close proximity to a number of natural resources within the petrochemical, net-zero hydrogen and agricultural industries.
- J. A large portion of Edmonton's industrial areas offer a number of amenities not seen in many of the other regional industrial areas, such as access to transit and parks. As well, the city offers a range of housing options including high density rentals, and a number of recreation centres. However, additional amenities need to be extended to all areas of the city (including infrastructure (water, sanitary sewer, franchise utilities, roads, sidewalks, curb, gutter and storm drain) and transit).

CHALLENGES⁹

- A. The City is disadvantaged relative to its regional competitors on local taxes, land costs, and more stringent design standards that inflate development costs. In 2010,

⁸ Attachment 6 - Current State of Industrial

⁹ Attachment 6 - Current State of Industrial

- Edmonton's non-residential tax rate was 1.5 times the average rate of surrounding municipalities; by 2022, Edmonton's rate was 2.3 times the average rate.¹⁰
- B. Stakeholders advised that there is no guidance on how flexible a developer can be when applying for flexible design standards.
 - C. Stakeholders identified that the City has a more complex permitting process than surrounding municipalities. This inefficiency can be a barrier to the speed of development.
 - D. Stakeholders identified the City does not have a dedicated client service for industrial developers.
 - E. There are existing industrial areas within the city with low to no infrastructure servicing and public transit service.
 - F. Stakeholders identified that the City's industrial focus and target sectors are relatively unknown and not well communicated.
 - G. Stakeholders advised that it is difficult to find information related to investment attraction, target sectors and support.
 - H. The City is currently disadvantaged nationally on higher utility costs driven by the Province's dependency on natural gas for electricity generation.
 - I. Engagement has not occurred with Indigenous, ethnocultural and other equity deserving communities to reduce barriers to investment and entrepreneurship.
 - J. Engagement has not occurred with Indigenous Communities on the identification of culturally sensitive and significant areas in established or new non-residential areas of the city.
 - K. Edmonton's share of non-residential assessment in the region has declined from 72 per cent of the region's base in 2008 to 60 per cent in 2022. This declining share of the non-residential tax base compromises the fiscal sustainability of the City and its ability to generate revenues. While industry only represents approximately one-third of non-residential, this decline could be presumed to be applicable to industrial development.

TARGET SECTORS The following target sectors have been identified based on the City's strategic priorities, existing sector presence, presence of necessary inputs, and positive medium and long-term economic outlooks. Businesses related to food processing, advanced manufacturing, transportation and logistics, energy and clean technology, artificial intelligence and technology, and health and life science are suitable target sectors for the City of Edmonton as:

- A. Edmonton has an established sector presence in all of the sectors.
- B. Edmonton has the necessary inputs for both food processing and clean energy given its proximity to agriculture and the Alberta Industrial Heartland, respectively.
- C. Edmonton's proximity to major petrochemical producers, research institutions, and strength in the biosciences, nanotechnology and artificial intelligence.
- D. The sectors have positive medium to long-term economic growth outlooks and align with the priorities of other Edmonton Region economic development agencies such as Edmonton Global and AIHA.

¹⁰ The average non-residential tax rate of surrounding municipalities is calculated as the average of all EMRB municipalities excluding Edmonton.



Advanced Manufacturing focuses on using cutting-edge technology and innovative processes to produce complex goods with high precision and efficiency, often incorporating automation and digitalization into production processes.

Artificial Intelligence and Technology is dedicated to the development and application of technology solutions to enhance productivity, efficiency, and innovation across various industries, including software development, robotics, and data analytics.

Energy and Clean Technology encompasses net-zero petrochemical production and renewable energy sources such as solar, wind, hydro, and geothermal power, which generate electricity with minimal environmental impact, reducing reliance on fossil fuels and mitigating climate change. Hydrogen can be produced through methods like electrolysis, steam methane reforming, or biomass gasification and can serve as a clean fuel for transportation, energy storage, and industrial processes.

Food Processing involves converting raw agricultural products into consumable goods through various processing methods such as canning, freezing, and packaging for distribution and sale.

Health and Life Sciences focus on improving human health and well-being through research, development, and commercialization of pharmaceuticals, medical devices, biotechnology, and healthcare services, encompassing areas such as medicine, genetics, and public health.

Transportation and Logistics encompass the planning, management, and execution of the movement of goods and people from one location to another. It includes activities such as shipping, warehousing, and distribution to ensure timely delivery and optimal supply chain management.

The City's traditional approach to industrial land use is divided between light, medium and heavy industrial zoning. It applies a standardized approach for all sectors. A targeted approach fosters clustering of businesses, encourages densification and thereby increases the attractiveness of industrial areas in the city

Additional information related to Edmonton's industrial target sectors is included in Attachment 6.

LAND AVAILABILITY ANALYSIS The City retained ISL Engineering to update the City's key land statistics for industrial land absorption. Currently Edmonton has approximately 133 hectares of shovel-ready industrial lands in the southeast, southwest and northwest areas of the city. Though Edmonton has available shovel-ready lands, they are not appropriate for all sectors, and they do not meet the needs of investors who require much larger parcel sizes. Currently, Edmonton has an unserved Industrial Land Supply of 5,567 net developable hectares. The analysis identified key locations, which contain the largest amounts of

unabsorbed lands. 26% of these lands are ready for land developers to develop the lands to a shovel-ready state, 17% require new statutory plans and the remaining lands are located in the Edmonton Energy and Technology Park (EETP), which represents the majority of the unserviced land. A map illustrating industrial absorption is included in Attachment 7.

The City retained Nichols Applied Management to seek perspectives from industrial developers on Edmonton's supply of industrial land. Stakeholder findings found that the City needs to differentiate its land supply into "shovel-ready", "medium" and "long-term" categories to provide clarity to developers on current land supply. The City should also incorporate market conditions in understanding supply. This includes factoring in tax rates and competition for industrial land development within the Region.

Additional findings from these two reports are included in Attachment 6.

ACTIONS

The following actions outline a comprehensive industrial investment strategy committed to increase industrial development in Edmonton. Each action has been carefully developed to leverage Edmonton's strengths, mitigate weaknesses, capitalize on opportunities, and overcome challenges identified through the current state assessment, competitive analysis, land availability analysis and stakeholder engagement. The actions' numbers do not indicate their priority or sequencing in how they will be advanced by the City.

Action 1: Market and promote the industrial advantages of Edmonton

Action 2: Establish and maintain an industrial infrastructure prioritization tool

Action 3: Increase efficiency and improve business processes for industrial development

Action 4: Develop a guiding framework for flexibility in the City's design standards

Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton

Action 6: Remove barriers for ethnocultural and all equity deserving communities for participating in Edmonton's industrial development

Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities

Action 8: Identify and tailor programs and incentives for target sectors, that will provide a strong return to the City's tax base and advance strategic objectives

Action 9: Monitor progress and results of the Industrial Investment Action Plan.

Through the implementation of these actions, the City is committed to enhancing its investment attraction efforts, increasing business expansion, creating jobs, improving employment opportunities for local residents, enhancing competitiveness of Edmonton's industrial sectors in regional and global markets, reducing environmental impact, introducing sustainable industrial practices, strengthening public private partnerships, and supporting technological advancement and innovation-driven economic growth.



Action 1

Market and promote the industrial advantages of Edmonton

Rationale

Stakeholders have identified that Edmonton's sector focus and value proposition is relatively unknown or not well communicated, and there is limited information available to help differentiate why investors should locate in the City.

By increasing the awareness of Edmonton's characteristics and advantages, more businesses will consider locating or growing their investments in the City.

SUB ACTION 1.1 Conduct gap analysis of Edmonton target sectors to identify target sector needs. Update relevant websites with key information to inform investment or expansion decisions (including available programs and incentives).

Potential Implementation Partners: City of Edmonton, Edmonton Global, Industrial Developers.

SUB ACTION 1.2 Develop and implement a sector-specific marketing strategy to attract industrial investment.

Potential Implementation Partners: City of Edmonton, Alberta Industrial Heartland Association (AIHA), Edmonton Global, Applied Pharmaceutical Innovation (API), Industrial Developers, Indigenous Communities, Aksis (Edmonton's Indigenous Business and Professional Association), Post Secondary Institutions, Edmonton Chamber of Commerce.

SUB ACTION 1.3 Work together on marketing activities with economic development agencies and other orders of government.

Potential Implementation Partners: City of Edmonton, AIHA, Edmonton Global, Industrial Developers, Indigenous Communities, Aksis, Edmonton Chamber of Commerce.



Action 2

Rationale

Establish and maintain an industrial infrastructure prioritization tool

Prioritizing the development of shovel-ready industrial land is a strategic imperative for the City to attract and retain major industrial and industrial-enabling investments.

Understanding what infrastructure will have the greatest influence on industrial development will support the City's decision making process for infrastructure investments.

SUB ACTION 2.1 Review Area Structure Plans, climate considerations and identify growth areas for each target sector.

Potential Implementation Partners: City of Edmonton, Industrial Developers, Industry Organizations.

SUB ACTION 2.2 Create a shovel-ready land supply forecast (3, 5, 10, 15+ years) by establishing a vacant land inventory data set and determine development timelines with the development community.

Potential Implementation Partners: City of Edmonton, AIHA, Edmonton Global, Industrial Developers, Industry Organizations, EPCOR.

SUB ACTION 2.3 Collaborate with internal and external partners to identify changes to statutory plans, introduce new statutory plans and prioritize infrastructure and services, such as transit, needed to support growth.

Potential Implementation Partners: City of Edmonton, AIHA, Edmonton Global, EPCOR, API, Industrial Developers, Industry Organizations, Indigenous Communities, Aksis, Edmonton Chamber of Commerce.

SUB ACTION 2.4 Provide a return on investment analysis on industrial prioritization projects to be used to inform the corporate infrastructure prioritization decisions.

Potential Implementation Partners: City of Edmonton.



Action 3

Increase efficiency and improve business processes for industrial development

Rationale

Efficient processing times and processes, and the need for a dedicated industrial point of contact have all been identified by Industrial stakeholders, businesses and developers as an opportunity for improvement.

The amount of time and costs required for a business to be operational is a major factor when making a decision to locate in a particular jurisdiction. Increasing efficiencies and improving business processes will reduce this time, making the City more competitive in attracting industrial investment.

SUB ACTION 3.1 Streamline approval processes to provide predictable, transparent, competitive timelines for non-residential investment.

Potential Implementation Partners: City of Edmonton, Business Improvement Areas (BIAs), Industry Organizations, Industrial Developers, Edmonton Chamber of Commerce.

SUB ACTION 3.2 Collaborate with organizations in Edmonton's industrial ecosystem to increase business expansion, retention, and identify investment opportunities.

Potential Implementation Partners: City of Edmonton, AIHA, API, BIAs, Edmonton Global, Industrial Developers, Industry Organizations, Aksis, Edmonton Chamber of Commerce.

SUB ACTION 3.3 Enhance existing business support programs such as the Client Liaison Unit and Business Friendly Edmonton, and address gaps.

Potential Implementation Partners: City of Edmonton, BIAs, Industry Organizations, Industrial Developers, Aksis, Edmonton Chamber of Commerce.

SUB ACTION 3.4 Identify key contacts that can support indigenous community members navigate the industrial investment and development landscape.

Potential Implementation Partners: City of Edmonton, Edmonton Unlimited, Aksis.



Action 4

Rationale

Develop a guiding framework for flexibility in the City's design standards

Industrial stakeholders, businesses and developers have identified they require guidance on how the City considers and approves flexible design standards.

Understanding what design standards are flexible will allow industrial development to occur in a timely and cost effective way, which meets the requirements of key stakeholders.

SUB ACTION 4.1 Undertake a jurisdictional scan of the minimum design standard requirements for each target sector and conduct stakeholder engagement.

Potential Implementation Partners: City of Edmonton, AIHA, ATCO, EPCOR, Industry Organizations, Industrial Developers, Edmonton Chamber of Commerce.

SUB ACTION 4.2 Develop a framework to guide the application of flexible design guidelines.

Potential Implementation Partners: City of Edmonton, EPCOR.



Action 5

Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton

Rationale

Indigenous Communities have faced inequity when accessing programs or other economic opportunities. A new approach is needed to establish a working partnership to collaborate and share in the benefits of industrial investment.

By working together in a respectful manner, which reflects the participants' values and way of doing business, all parties can benefit from industrial economic growth.

SUB ACTION 5.1 Collaborate with Indigenous Communities to determine locations in Edmonton's industrial areas that are culturally sensitive or significant.

Potential Implementation Partners: City of Edmonton, Indigenous Communities, Aksis.

SUB ACTION 5.2 Work with Aksis and other agencies to support Indigenous industrial startups, new industrial investors, and Indigenous land developers.

Potential Implementation Partners: City of Edmonton, Alberta Innovates, Edmonton Chamber of Commerce, Edmonton Global, Edmonton Unlimited, Indigenous Communities, Indigenous Investment Organizations, Aksis.

SUB ACTION 5.3 Support Indigenous industrial businesses within Edmonton on business retention and expansion.

Potential Implementation Partners: City of Edmonton, Indigenous Communities, Indigenous Investment Organizations, Aksis.

SUB ACTION 5.4 Investigate options for equal partnership in economic collaboration.

Potential Implementation Partners: City of Edmonton, Indigenous Communities, Aksis.

SUB ACTION 5.5 Explore opportunities with Indigenous Communities for economic reconciliation.

Potential Implementation Partners: City of Edmonton, Indigenous Communities, Aksis.



Action 6

Rationale

Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.

Ethnocultural and equity deserving communities face inequities when accessing programs or other economic opportunities. Consideration should be given to how to create the conditions for them to economically thrive.

By removing economic barriers, we can maximize the contributions of ethnocultural and equity deserving communities to the benefit of both the business and the individuals and create a more inclusive economy.

SUB ACTION 6.1 Work with agencies to support industrial startups, new industrial investors, and land developers in these communities.

Potential Implementation Partners: City of Edmonton, Alberta Innovates, Edmonton Chamber of Commerce, Edmonton Global, Ethnocultural and Equity-Deserving Organizations, Edmonton Unlimited, Indigenous Communities, Indigenous Investment Organizations, Aksis.

SUB ACTION 6.2 Support industrial businesses within communities on business retention and expansion.

Potential Implementation Partners: City of Edmonton, Ethnocultural and Equity-Deserving Organizations, Aksis, Indigenous Investment Organizations, Edmonton Chamber of Commerce.



Action 7

Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.

Rationale

The City of Edmonton's economic success is tied to the broader regional landscape. There are 13 municipalities in the region and numerous economic development entities all with the goal of attracting investment.

By working together we can reduce the costs of competition, pursue larger investments and share in the direct and indirect benefits of a strong regional economy.

SUB ACTION 7.1 Present a unified industrial investment attraction approach to attract foreign direct investment.

Potential Implementation Partners: City of Edmonton, AIHA, Alberta Innovates, Edmonton Global, Indigenous Communities, Aksis, Edmonton Chamber of Commerce.

SUB ACTION 7.2 Participate in and advance new projects through Collaborative Economic Development to enhance sites to a shovel-ready state and share in generated tax revenues.

Potential Implementation Partners: City of Edmonton, Indigenous Communities, Regional Municipalities.



Action 8

Rationale

Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.

To grow industrial development in Edmonton, the City will need to be strategic by identifying and making available financial and non-financial incentives that are attractive to target sector investors.

Programs and incentives attract investment, stimulate job creation, and foster innovation in target sectors. An effective program or incentive could make Edmonton more competitive and be a critical feature in influencing a business to invest or grow in the City.

SUB ACTION 8.1 Perform a sector needs assessment, explore options to support climate initiatives, the green economy, Indigenous Communities and organizations, and leverage incentives from within the City of Edmonton and other orders of government and investment funds to create tailored programs and incentives for target sectors.

Potential Implementation Partners: City of Edmonton, Indigenous Communities, Indigenous Investment Organizations, Aksis, Edmonton Chamber of Commerce.

SUB ACTION 8.2 For target sectors that value additional amenities, identify non-financial incentives, such as transit and permit support.

Potential Implementation Partners: City of Edmonton.

SUB ACTION 8.3 Work with other orders of government to reduce barriers to industrial investment attraction.

Potential Implementation Partners: City of Edmonton, AIHA, BIAs, Edmonton Global, Industry Organizations, Indigenous Communities, Aksis, Indigenous Investment Organizations, Industrial Developers.



Action 9

Monitor progress and results of the Industrial Investment Action Plan

Rationale

As the City implements the Industrial Investment Action Plan, it will need to measure its progress and results to identify successes, shortcomings and areas for improvement.

By creating meaningful measures, the City will be able to evaluate both the cost and the outputs of the Action Plan that can be used to guide future change.

SUB ACTION 9.1 Define key metrics, establish targets, conduct an assessment and monitor success of the action plan.

Potential Implementation Partners: City of Edmonton, AIHA, Edmonton Global, Indigenous Communities, Industrial Developers, Aksis.

SUB ACTION 9.2 Establish periodic data collection and develop curated market trend data sets to inform investment decisions, programs and policies.

Potential Implementation Partners: City of Edmonton, AIHA, Edmonton Global, Industry Associations, Indigenous Communities, Industrial Developers, Aksis.

SUB ACTION 9.3 Communicate key outcomes and progress at regular intervals.

Potential Implementation Partners: City of Edmonton.



INDUSTRIAL INVESTMENT ACTION PLAN IMPLEMENTATION

Developing a plan to implement the IIAP is essential for the City to transform vision into reality and achieve tangible outcomes. While crafting well-defined actions and activities is crucial, it is the execution of the IIAP actions that will provide real value. Implementation involves translating aspirations into actionable steps and initiatives, ensuring that resources are allocated effectively and progress is made towards desired outcomes. Through clear responsibilities, timelines, and performance metrics, the IIAP implementation plan will foster accountability and enable the City to track progress and measure success.

Following approval of this IIAP, the City will work with relevant organizations and groups to develop an IIAP implementation plan. The development of the IIAP implementation plan will be informed by the actions contained in this IIAP, as well as financial and resource considerations. The implementation plan will be reviewed and updated regularly and informed by key performance indicators to reflect market conditions and changes.



GLOSSARY OF TERMS

Absorption Rate	The rate at which available properties in a real estate market are sold or leased, indicating the demand and speed at which industrial land and buildings are developed and occupied.
Alberta's Industrial Heartland (AIHA)	Canada's largest hydrocarbon processing region and one of the world's most attractive locations for chemical, petrochemical, oil, and gas investment. Alberta's Industrial Heartland geographic area stretches over 4 municipalities including: Sturgeon County, the City of Fort Saskatchewan, Strathcona County and the City of Edmonton. Edmonton's Edmonton Energy and Technology Park (EETP) is located here.
Biotechnology	Biotechnology is technology based on biology. Biotechnology uses cellular (e.g. enzymes, yeast, and other microbes) and biomolecular processes (e.g. fermentation) to develop technologies and products to combat diseases, reduce the environmental footprint, feed the hungry, use less and cleaner energy, and have safer, cleaner and more efficient industrial manufacturing processes.
Carbon Capture	The process of trapping carbon dioxide produced by burning fossil fuels or other chemical or biological processes and storing it in such a way that it is unable to affect the atmosphere, with the aim of mitigating the effects of global warming.
Clean Technology	Often referred to as cleantech, it encompasses products, services, and processes that utilize renewable materials and energy sources, as well as innovative technologies, to minimize environmental impact and enhance resource efficiency within the energy industry. It includes technologies such as solar, wind, hydroelectric, and geothermal power, and energy-efficient practices and solutions aimed at reducing pollution and promoting sustainability.
Cluster	<p>A (geographic) concentration of related businesses, organizations, and services that allows for collaboration resulting in improved efficiency and stimulates innovation in a specific industry. Typical characteristics of a strong cluster include but are not limited to:</p> <ul style="list-style-type: none">• A critical mass of companies with similar industrial activity who collaborate and compete to meet customer demands.• Cost-competitive access to necessary supply chains.• Linkages to talent through academic/research institutions.• Regional, national, or international recognition as a cluster.

Collaborative Economic Development	In 2021, thirteen Edmonton metropolitan region municipalities signed a Memorandum of Understanding to jointly develop a new, innovative strategy called Collaborative Economic Development (CED). The strategy is intended to create efficiencies, offer a new approach for municipalities to share in the benefits of economic growth regardless of the investment location within the region, and improve the attraction of new non-residential investment. CED is focused on direct return on investment, participation is voluntary and every partner has an equal voice.
Economic Development Agencies	In the context of this report, regional economic development agencies refer to Edmonton Unlimited, Edmonton Global, AIHA, Alberta Innovates, Invest Alberta, and Invest in Canada.
Edmonton Energy & Technology Park (EETP)	The EETP is an industrial park in the northeastern park of the city. The park is also located in the AIHA and its statutory plan guides industrial land use for energy and clean technology, advanced manufacturing, food processing and transportation logistics. It is located north of the Anthony Hendary highway and west of Manning Drive.
Edmonton Region	Includes all jurisdictions within the Federal Edmonton Census Metropolitan Area.
Equity Deserving Community	Refers to groups or populations that have historically experienced systemic discrimination, marginalization, or are disadvantaged based on factors such as race, ethnicity, gender identity, sexual orientation, socio-economic status, disability, or other forms of identity.
Foreign Direct Investment	Investment made by a company or individual from one country into business interests located in another country, often involving buying or establishing operations in the foreign country.
Industrial Ecosystem	An industrial ecosystem is a complex network characterized by interdependent relationships and interactions among various entities such as suppliers, manufacturers, distributors, service providers, customers, regulators, and other stakeholders. Similar to natural ecosystems, industrial ecosystems involve the flow of resources, knowledge exchange, innovation, and cooperation to produce goods and provide services efficiently and sustainably.
Industrial Investment	Investment into starting new or expanding existing industrial activities like factories, machinery, and infrastructure to produce goods and services and generate economic growth.
Investment Attraction	Investment attraction refers to the deliberate effort by governments, organizations, or economic development agencies to attract investment capital, businesses, developers and projects to a particular region, industry, or sector.

Nanotechnology	The branch of science and engineering devoted to designing, producing, and using structures, devices, and systems by manipulating atoms and molecules at nanoscale.
Net Developable Vacant Land	Net developable vacant land refers to the portion of a parcel or area of land that is vacant and suitable for construction or development after accounting for various constraints, such as environmental regulations, topography, infrastructure availability, zoning regulations, and other factors.
Petrochemical	In the context of this report the word Petrochemical(s) is used to describe a sector of the chemical industry that is primarily involved in the production of chemical compounds derived from petroleum or natural gas feedstocks.
Potential Implementation Partner	An external partner identified as having a role to implement a sub-action of the IIAP. Potential Implementation Partners can change overtime and they either assist in, or lead the sub-action implementation. Additional organizations that will be engaged as part of implementation have not been included in the list of Potential Implementation Partners.
Regional Economic Development Agencies	In the context of this report, regional economic development agencies refer to Edmonton Global, and AIHA.
Sector	A distinct category or grouping of businesses, organizations, and economic activities that are typically defined based on the products or services they provide and the nature of their operations and activities.
Sector Needs Assessment	“Need” refers to the gap or discrepancy between a present state (what is) and a desired state (what should be). A needs assessment comprises the systematic analysis of data specific to each sector. The data may include workforce type and mix, infrastructure requirements, availability of feedstock and other supply chain needs, power and water demands, etc. The results of this analysis can help to identify the most pressing needs and priorities for individual sectors and guide allocation of resources accordingly.
Shovel-ready Land	Refers to sites that are ready to be developed. All the front-end infrastructure is in place, and planning and zoning processes have been completed. In other words, the site is compliant with local, state and federal regulations and prepared for the quick start of construction.
Value Proposition	A value proposition in marketing is a concise statement of the benefits that an organization is delivering to customers who buy its products or services. It serves as a declaration of intent, both inside the organization and in the marketplace.

LIST OF ATTACHMENTS

1. City Plan Fit Gap Analysis
2. Edmonton's Economic Action Plan Fit Gap Analysis
3. Edmonton's Community Energy Transition Strategy and Action Plan Fit Gap Analysis
4. KPMG: What We Heard Report
5. What We Heard: Stakeholder Engagement - April 2024
6. Current State of Industrial
7. Map: Industrial Land Absorption



Industrial Investment Action Plan 2024

Attachment 1 City Plan Fit Gap Analysis



The City Plan	Industrial Investment Action Plan
BELONG	
<p>1.4.1 Support Edmontonians’ transition to a low-carbon future in their daily lives.</p>	<p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City’s tax base and advance strategic objectives.</p>
LIVE	
<p>2.2.1 Promote compact, mixed-use development within districts that supports equitable access to employment, education and amenities.</p> <p>2.2.3 Ensure that walkable and attractive mixed-use development occurs at nodes and along corridors in a manner that is integrated with accessible mass transit.</p> <p>2.3.1 Promote opportunities to accommodate growth through the compact development of new and existing neighbourhoods.</p>	<p>Action 2: Establish and maintain an industrial infrastructure prioritization tool.</p> <p>Action 4: Develop a guiding framework for flexibility in the City’s design standards.</p> <p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City’s tax base and advance strategic objectives.</p>
THRIVE	
<p>3.1.1 Support the ability of First Nations, Métis and Inuit peoples to celebrate, grow and flourish.</p> <p>3.1.2 Support equity among the diverse communities that contribute to Edmonton’s sense of place, wellness and identity.</p> <p>3.1.3 Support access to employment and a broad range of economic opportunities for all of Edmonton’s diverse communities.</p> <p>3.2.1 Ensure that development and public infrastructure is designed to support a vibrant local economy and competitive business environment.</p>	<p>Action 1: Market and promote the industrial advantages of Edmonton.</p> <p>Action 2: Establish and maintain an industrial infrastructure prioritization tool.</p> <p>Action 3: Increase efficiency and reduce red tape for industrial development.</p> <p>Action 4: Develop a guiding framework for flexibility in the City’s design standards.</p> <p>Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and</p>

3.2.2 Promote the attraction and retention of a highly skilled and talented workforce in support of ongoing innovation, investment, education, entrepreneurship and quality of life.

3.3.2 Promote the continuous improvement, evolution and intensification of Edmonton's non-residential lands.

3.4.2 Support innovation and private investment in climate-resilient industries and businesses.

advance Indigenous industrial economic development in Edmonton.

Action 6: Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.

Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.

ACCESS

4.2.1 Ensure that transportation investment supports urban intensification and diversification.

4.3.1 Ensure that the mobility system enables the efficient movement of people and goods within Edmonton and the Metropolitan Region.

4.3.2 Promote regional connectivity and shared prosperity through coordination, communication and advocacy.

Action 2: Establish and maintain an industrial infrastructure prioritization framework.

Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.

PRESERVE

5.3.1 Support the conservation of agricultural land to reduce its loss and fragmentation and contribute to economic development and resilience of the food system.

5.3.2 Ensure resource extraction activities are evaluated to avoid and mitigate risks and impacts to people and the natural environment.

Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.

Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.

CREATE

6.1.1 Promote city-building solutions with communities through prototyping, partnerships and piloting.

6.3.2 Support an increasingly diverse and entrepreneurial knowledge economy.

6.3.3 Promote partnerships that develop regional opportunities for growth and investment.

6.4.1 Promote economic development opportunities to support energy transition.

Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton.

Action 6: Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.

Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.

Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.

Industrial Investment Action Plan 2024
Attachment 2 Edmonton's Economic Action Plan
Fit Gap Analysis



Economic Action Plan	City Plan Policies	Industrial Investment Action Plan
<p>Action 1: Leverage projects designed to improve Edmonton's regulatory processes and reduce red tape so we are agile.</p>	<p>3.1.3.5 Develop efficient, streamlined, and easily understood regulations and processes to enhance Edmonton's competitiveness for investors and entrepreneurs.</p> <p>3.2.1.1 Adapt the planning and regulatory environment to support innovative business models and operations.</p>	<p>Action 1: Market and promote the industrial advantages of Edmonton.</p>
<p>Action 2: Align relevant economic development activities, reporting metrics, funding agreements, and grants to ensure we're working together as effectively as possible.</p>	<p>3.1.3 Support access to employment and a broad range of economic opportunities for all of Edmonton's diverse communities.</p> <p>3.3.1 Support opportunities for local economic and community resilience through development, revitalization and renewal.</p>	<p>Action 1: Market and promote the industrial advantages of Edmonton.</p> <p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.</p> <p>Action 9: Monitor progress and results of the Industrial Investment Action Plan.</p>
<p>Action 3: Support building capacity and access to resources for entrepreneurs from marginalized communities, such as racialized entrepreneurs, and newcomers.</p>	<p>3.1.3.3 Partner to reduce barriers to education, employment and business opportunities for Indigenous people and newcomers.</p>	<p>Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton.</p> <p>Action 6: Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.</p>

<p>Action 7: Align outstanding City of Edmonton Industrial Action Plan actions to other work currently occurring, and prioritize key outstanding activities related to funding tools.</p>	<p>3.2.1 Ensure that development and public infrastructure is designed to support a vibrant local economy and competitive business environment.</p> <p>3.3.1 Support opportunities for local economic and community resilience through development, revitalization, and renewal.</p> <p>3.3.2 Promote the continuous improvement, evolution and intensification of Edmonton's non-residential lands.</p> <p>3.4.2 Support innovation and private investment in climate-resilient industries and businesses.</p>	<p>Action 2: Establish and maintain an industrial infrastructure prioritization tool.</p> <p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.</p>
<p>Action 8: Clearly identify economic development outcomes in City Capital Budget requests.</p>	<p>2.3.3.5 Collaborate with private developers, utility providers and communities on innovative and creative solutions for temporary and permanent infrastructure and amenities that support the public realm.</p> <p>3.2.1 Ensure that development and public infrastructure are designed to support a vibrant local economy and competitive business environment.</p>	<p>Action 2: Establish and maintain an industrial infrastructure prioritization tool.</p>
<p>Action 9: Create a development strategy for the new non-residential lands adjacent to the Edmonton International Airport.</p>	<p>3.2.2 Promote the continuous improvement, evolution and intensification of Edmonton's non-residential lands.</p>	<p>Action 2: Establish and maintain an industrial infrastructure prioritization tool.</p>
<p>Action 10 Develop tools and strategies to attract commercial, residential and mixed-use development in nodes and corridors.</p>	<p>2.2.1 Promote compact, mixed use development within districts that supports equitable access to employment, education and amenities.</p> <p>2.2.3 Ensure that walkable and attractive mixed use development occurs at nodes and along corridors in a manner that is integrated with accessible mass transit.</p> <p>2.2.3.2 Preserve and strengthen the</p>	<p>Action 2: Establish and maintain an industrial infrastructure prioritization tool.</p> <p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.</p>

	role of Centre City as Edmonton's principal employment and residential node, regional economic and mobility hub, urban and traditional meeting place and celebration space.	
Action 12: Develop tools to facilitate growth in green economic sectors.	3.4.2 Support innovation and private investment in climate-resilient industries and businesses. 6.4.1 Promote economic development opportunities to support energy transition.	Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.
Action 13: Work together to support emerging made-in-Edmonton technology solutions.	3.4.2 Support innovation and private investment in climate resilient industries and businesses. 6.1.1 Promote city building solutions with communities through prototyping, partnerships and piloting.	Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.
Action 14: Support emerging off-shoots of the energy sector.	3.4.2 Support innovation and private investment in climate resilient industries and businesses.	Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.
Action 15: Advance a coordinated approach to growing the local food economy.	2.2.2.4 Encourage an integrated local food economy through a range of activities and amenities including investment in value-added food processing, local distribution, consumption and disposal.	Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.
Action 16: Develop Edmonton's competitive advantage as an international logistics hub and hub to Northern Alberta, the North West Territories and beyond.	6.3.3 Promote partnerships that develop regional opportunities for growth and investment.	Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.
Action 18: Develop an integrated Investment Intake, Business Retention & Expansion and Aftercare Program that supports the	6.3.3 Promote partnerships that develop regional opportunities for growth and investment.	Action 3: Increase efficiency and improve business processes for industrial development.

<p>efforts of Edmonton Global and others to attract foreign direct investment as well as existing and new Edmonton businesses.</p>		
<p>Action 19: Develop and implement an integrated place brand strategy.</p>	<p>3.2.2 Promote the attraction and retention of a highly skilled and talented workforce in support of ongoing innovation, investment, entrepreneurship and quality of life.</p>	<p>Action 1: Market and promote the industrial advantages of Edmonton.</p>
<p>Action 21: Expand on existing relationships with the City's Indigenous memoranda partners by improving supports for economic development opportunities.</p>	<p>3.1.1 Support the ability of First Nations, Métis and Inuit peoples to celebrate, grow and flourish.</p>	<p>Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton.</p> <p>Action 6: Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.</p>
<p>Action 23: Advance collaborative Shared Investment for Shared Benefit initiatives with regional partners.</p>	<p>6.3.3 Promote partnerships that develop regional opportunities for growth and investment.</p>	<p>Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton.</p> <p>Action 6: Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.</p>

Industrial Investment Action Plan 2024
Attachment 3 Edmonton's Community Energy Transition
Strategy and Action Plan Fit Gap Analysis



Energy Transition Strategy	City Plan Policies	Industrial Investment Action Plan
1.5 Provide incentives for battery storage for green power systems.	<p>1.4.1 Support Edmontonians' transition to a low-carbon future in their daily lives.</p> <p>3.4.2 Support innovation and private investment in climate-resilient industries and businesses.</p>	Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.
1.7 Support community, cooperative, and Indigenous-owned renewable energy projects.	<p>1.4.1 Support Edmontonians' transition to a low carbon future in their daily lives.</p> <p>1.4.1.5 Provide support for residents, organizations, and businesses to reduce energy use and greenhouse gas emissions and adapt to climate change.</p>	<p>Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton.</p> <p>Action 6: Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.</p>
1.8 Advance regional initiatives for future energy systems (i.e. geothermal, hydrogen, waste-to-energy, fusion, etc.), supply chains, and infrastructure, including the scale-up/expansion of the hydrogen production and distribution network.	<p>3.4.2 Support innovation and private investment in climate-resilient industries and businesses.</p> <p>6.4.1 Promote economic development opportunities to support energy transition.</p>	<p>Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.</p> <p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.</p>
1.9 Advance regional initiatives and attract	3.4.2 Support innovation and private investment in	Action 7: Continue to collaborate with regional partners,

<p>investment and technology start-ups that build on the region's energy resources and innovation strengths, such as innovation related to bitumen-beyond combustion industries (such as carbon fibres, plastics, and polymers), lithium refinement and manufacturing industries and artificial intelligence for smart grid and building automation, including battery storage.</p>	<p>climate-resilient industries and businesses.</p> <p>6.4.1 Promote economic development opportunities to support energy transition.</p>	<p>Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.</p> <p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.</p>
<p>1.11. Advance licenses and partnerships through the Advanced Energy Research Facility to continue to drive innovation in bioenergy and renewable resource areas.</p>	<p>3.4.2 Support innovation and private investment in climate-resilient industries and businesses.</p> <p>3.4.2.1 Prioritize climate-related research, industry, technology, and businesses through partnerships, programs, processes, and grants.</p>	<p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.</p>
<p>1.12. Market and promote local clean tech products, projects, and services and provide support programs for connecting local businesses to opportunities in the low carbon economy with regional economic development partners (e.g. Edmonton Global).</p>	<p>6.4.1 Promote economic development opportunities to support energy transition.</p> <p>6.4.1.2 Partner with businesses and organizations testing and implementing new-to-Edmonton solutions and technologies that support increased climate resilience.</p>	<p>Action 1: Market and promote the industrial advantages of Edmonton.</p>
<p>2.2. Provide incentives for new construction to build above Building Code. Incentives will be performance based and increase as follows: 2022 Tier 1; 2025 Tier 2; and 2028 Tier 3. The industry advisory</p>	<p>2.4.1 Support ecological function and energy efficiency of Edmonton's built environment.</p> <p>2.4.1.3 Pursue emissions-neutral and net-positive infrastructure, buildings and neighbourhoods.</p>	<p>Action 8: Identify and tailor programs and incentives for target sectors that will provide a strong return to the City's tax base and advance strategic objectives.</p>

<p>group will provide ongoing advice on the incentives.</p>	<p>1.4.1 Support Edmontonians' transition to a low carbon future in their daily lives.</p> <p>1.4.1.5 Provide supports for residents, organizations and businesses to reduce energy use and greenhouse gas emissions and adapt to climate change.</p>	
<p>2.15. Support, retain and grow green technology and service businesses in the region that are locally owned and controlled by diverse groups, and market and promote local green building expertise, innovation, technologies, products and services with regional economic development partners.</p>	<p>6.4.1 Promote economic development opportunities to support energy transition.</p> <p>3.4.2 Support innovation and private investment in climate-resilient industries and businesses.</p> <p>3.4.2.1 Prioritize climate-related research, industry, technology and businesses through partnerships, programs, processes and grants.</p>	<p>Action 1: Market and promote the industrial advantages of Edmonton.</p> <p>Action 5: Work with Indigenous Communities, organizations and businesses to identify barriers and advance Indigenous industrial economic development in Edmonton.</p> <p>Action 6: Remove barriers for ethnocultural and all equity-deserving communities for participating in Edmonton's industrial development.</p>
<p>4.9. Plan with regional partners for the needs of CO2 infrastructure (CO2 pipelines, CCU/S corridors, etc.) in a way that minimizes ecological impacts and promotes carbon capture economic development opportunities.</p>	<p>3.4.2 Support innovation and private investment in climate resilient industries and businesses and Ensure that development occurs in an orderly and safe manner to protect public health and the environment.</p>	<p>Action 7: Continue to collaborate with regional partners, Indigenous Communities and investment groups, and regional economic development agencies on economic development activities.</p>



City of Edmonton

What we Heard Report

Industrial Investment Action Plan

Attachment 4

February, 2024



Disclaimer

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01

Introduction

Introduction

Background

The City of Edmonton (City) is developing an Industrial Investment Action Plan (the Plan) that aligns with the City Plan (2020) and the Economic Action Plan (2021), and that reflects changes in the economy and the City's ability to attract industrial investment. In August 2023, the City engaged KPMG LLP (KPMG) to help develop the Plan.

Purpose

The objective of the project is to define opportunities to achieve a desired future state by:

- Identifying evidence-based findings to address key gaps;
- Reviewing regulatory and policy considerations;
- Providing a current understanding of current macroeconomic trends and other practices from other jurisdictional; and,
- Developing implementable and practical recommendations to be put into effect in the short, medium and long-term.

Introduction

Project Approach

The project is comprised of six phases, and is scheduled to run from August 2023 to June 2024. The stakeholder engagement is included within the Current State Assessment and will be used to inform further phases of work, including key recommendations to include in the Plan. The approach to the project is summarized below.



Purpose of this Document

As part of this work, KPMG engaged stakeholders identified by the City to gain their unique perspectives and insights into the Industrial Investment Action Plan, and to understand the current state of industrial investment attraction in the City. Stakeholder input is an important aspect of developing the Plan as it will inform key areas of opportunity, challenge, and focus for the City moving forward.

This document summarizes the key themes and insights heard from the stakeholder engagement conducted, across the various groups of stakeholders engaged. The insights have been summarized into findings by key themes identified, and linked to the various existing actions where relevant.

Stakeholder engagement took place during September and October 2023. Some stakeholders were unable to participate in the scheduled engagement sessions. The City still intends to obtain feedback from these stakeholders. Additional stakeholder engagement will be conducted after this report has been delivered to the City and insights will be reflected in future phases of this project.

Introduction

Stakeholder Engagement

The approach for stakeholder engagement activities in this work is summarized below.

Internal Stakeholders

Interviews were held with internal City stakeholders to further understand aspects of the current state analysis, as well as gain more in-depth perspectives on the past successes and potential opportunities associated with the Action Plan.

Various business units across the City were interviewed, with up to 10 group interviews conducted. Refer to Appendix A for the full list of participants.

External Stakeholders

Discussions were held with various external stakeholders to obtain perspectives about Edmonton's current competitiveness in attracting investment into its industrial lands, its strengths and weaknesses, and ideas to improve the existing Action Plan. Stakeholders engaged include:

- **Industry**, including: industrial players who have located in the Edmonton market, developers, and organizations representing industry
- **Economic Development Entities**, including: Edmonton Global, Edmonton Unlimited, and Alberta Industrial Heartland Association.
- **Utility Providers**, including: EPCOR

Refer to Appendix B for the full list of participants.

02

What we Heard from Stakeholders

Key Themes

Stakeholder input has been organized around the following themes:

Theme	Definition
Strategic Direction	Strategic Direction refers to the overarching goals, objectives, and long-term vision that guide the City's industrial investment efforts. It outlines the roadmap for the future development of the industrial sector and encompasses the strategic priorities and focus areas that will drive economic growth, innovation, and competitiveness.
Investment Attraction & Retention	Investment Attraction & Retention theme represents the strategies and mechanisms employed to attract new industrial investments to the region and, equally important, retain existing investments. It involves creating an environment that is conducive to investment, such as offering incentives, reducing barriers, and promoting the value proposition of the City.
Business-Friendly Process	Business-Friendly Process relates to the efficiency, transparency, and ease of doing business within the City. It encompasses the various administrative and procedural aspects that affect industrial enterprises.
Land, Infrastructure, & Assets	Land & Infrastructure pertain to the physical resources and facilities available to industrial enterprises. This theme covers the availability of suitable industrial land, utilities, transportation networks, and other essential infrastructure.
Policy & Regulation	Policy & Regulation includes the framework of rules, laws, and regulations that govern industrial activities within the City. This theme encompasses the legal and regulatory environment, including environmental and safety regulations, labor laws, tax policies, and other relevant legislation.
Environmental & Social	Environmental & Social considerations focus on the impact of industrial activities on the natural environment and the well-being of the local community. This theme emphasizes sustainability, responsible corporate practices, and social responsibility. It involves addressing environmental concerns, promoting social inclusivity, and ensuring that industrial growth aligns with the region's overall socio-environmental goals.

Key Themes

The following summarizes the key themes that have been identified throughout the course of the stakeholder engagement. Detailed findings by each theme area are summarized on the slides that follow.

Theme	Stakeholders indicated that:
Strategic Direction	<ul style="list-style-type: none">• The City should define key sectors of focus and use this to identify key requirements to attract desired investors and to define infrastructure investment priorities• Different assets or incentives will attract different types of industrial development and this should be considered when defining sectors of focus, based on the current competitive advantages of the City. For example, a variety of lifestyle amenities, transit services, and established infrastructure.• Definition of key roles for the City and various economic development entities can help advance overall strategic goals and priorities for the City• The City needs to better define its brand and value proposition to potential investors
Investment Attraction & Retention	<ul style="list-style-type: none">• There is limited information readily available for potential investors on the assets, infrastructure, potential sites, and amenities in the City• Depending on the sector, different elements may be considered important in attracting industrial development. Light industrial may prioritize factors such as infrastructure, transit access, permitting process and timelines, taxes and financial incentives, while heavy industrial may prioritize access to transportation (e.g., rail), or resources (e.g., water or feedstock)
Business-Friendly Process	<ul style="list-style-type: none">• Permitting timelines are a key challenge reported by external stakeholders. The City generally has more complex permitting processes than surrounding municipalities which can naturally impact approval timelines• The quality of applications submitted can greatly impact the approval timeline. There is some support provided for large-scale industrial applications but there is not a separate process for them and they are a small aspect of the overall portfolio overseen by the Client Liaison Unit• Earlier consultation with the City and utility providers may help to facilitate the process and educate industrial customers, since industrial developers tend to have different needs and levels of familiarity with the process than other customers

Key Themes

(Continued).

Theme	<i>Stakeholders indicated that:</i>
<p>Land & Infrastructure</p>	<ul style="list-style-type: none"> Stakeholders indicate that a barrier for industrial development in the City is the limited amount of ‘shovel-ready’ land available for developers. There may be opportunities for the City to explore if there are administrative work or investment that the City can bear to make the land more desirable for investors. The EETP may continue to face challenges with investment until the appropriate infrastructure is in place to attract companies, as the high capital costs to locate here are noted as a deterrent.
<p>Policy & Regulation</p>	<ul style="list-style-type: none"> A key challenge noted by stakeholders is the higher cost of doing business in the City, whether that be due to the tax structure or to infrastructure investment requirements. Some tax breaks (e.g., not charging M&E) may not provide as much incentive as desired across different sectors. While stakeholders are interested in exploring potential incentives that reduce risks (financial or otherwise) for developers and investors, these incentives may be administratively burdensome with no clear return on investment. While flexible design standards have potential advantages for industry and progress has been made, key trade-offs such as potential downstream costs for the City in the future, as well as the quality and livability of communities should be considered.
<p>Environmental & Social</p>	<ul style="list-style-type: none"> Across environmental or social considerations, the City should identify what the goals are specifically in regards to industrial development, and then consider whether they approach this through incentives, or criteria to evaluate potential investments. The City may need to consider the ‘net’ environmental impact, meaning that while immediate environmental goals may not be met, additional revenues could fund other green investments in the City. There may be opportunities to support marginalized communities in industrial development by providing information or specific packages that can be tailored for the needs, and opportunities for further engagement may exist.

Strategic Direction

Actions in the Plan pertaining to strategic direction are shaded below:

Action 1: Improve Image, Reputation and Marketing Functions	Action 2: Implement Flexibility Regarding Design Standards	Action 3: Explore Alternative Funding Tools and Options
Action 4: Introduce Capital Project Prioritization Framework	Action 5: Increase Speed to Market Development	Action 6: Leverage Industrial Business Facilitation and Retention Program
Action 7: Increase Investment Readiness of Edmonton Energy and Technology Park	Action 8: Implement Eco-Industrial Principles	Action 9: Prioritize Industrial Infrastructure Projects
Other / New Actions		

Stakeholders indicated that:

- The City should define what ‘industrial development’ means for the City, and what that means in terms of sectors of focus. There is confusion amongst stakeholders as to what types of industrial development the City is hoping to advance, what sectors they are attracting, and the rationale for focusing on industrial development.
- There are different needs and priorities across different sectors of industrial development. For example, incentives or barriers for heavy industry will look very different to light industrial. This was often heard in discussions around tax implications (e.g., impact or relevance of M&E, property taxes, etc.), infrastructure needs, access to amenities, and other considerations.
- The Edmonton Energy and Technology Park (EETP) has been designated as such for over 13 years, following the adoption of “The Way we Grow” in 2010. However, the City has not specifically indicated the objectives or desired use of this land in a way that allows funding of infrastructure to be developed to attract key investors. Prioritizing these lands could enable the City to invest in zoning or infrastructure that could attract investors.
- The City’s strategic plans, such as the Edmonton Economic Action Plan, do not provide specific direction or priority to industrial development at the City. Without these defined priorities, funding or general advancement of key actions or initiatives related to industrial development cannot proceed.

Strategic Direction

Stakeholders indicated that (continued):

- There are certain assets or amenities that could attract different sectors more than others. The City should identify these advantages and focus industrial development on sectors that value them. Amenities include lifestyle amenities (such as proximity to local restaurants, entertainment, recreation centers, etc.), transit services, and established infrastructure.
- The plan should provide direction that results in specific actions that can be measured. It was also suggested that performance metrics need to be developed in order to track progress against the new Industrial Investment Action Plan.
- There is a need to determine how the City works together with the various economic development organizations in the region. Each of the roles should be clearly defined in regards to the interfaces specifically around industrial development, and this should be understood from the City's defined strategic direction.
- There may be benefit in developing criteria to evaluate industrial investments to determine which investments or projects should be pursued. The criteria could include financial benefits.
- There is a need to better communicate the benefits of industrial development within City limits to a variety of audiences, including Council and residents.
- The City should work to identify key areas of priority for industrial investment, similar to what they do with residential in terms of nodes and corridors.

“There is a need to define what ‘Industrial Development’ means to the City, and what they are looking to achieve. Industrial development can mean many different things to different sectors.”

Investment Attraction & Retention

Actions in the Plan pertaining to strategic direction are shaded below:

Action 1: Improve Image, Reputation and Marketing Functions	Action 2: Implement Flexibility Regarding Design Standards	Action 3: Explore Alternative Funding Tools and Options
Action 4: Introduce Capital Project Prioritization Framework	Action 5: Increase Speed to Market Development	Action 6: Leverage Industrial Business Facilitation and Retention Program
Action 7: Increase Investment Readiness of Edmonton Energy and Technology Park	Action 8: Implement Eco-Industrial Principles	Action 9: Prioritize Industrial Infrastructure Projects
Other / New Actions		

Stakeholders indicated that:

- Alberta’s Industrial Heartland (AIHA) invited member municipalities join investment attraction trade missions (expenses covered by AIHA), however the City of Edmonton has participated recently. Stakeholders indicated that there may be missed opportunities for the City to communicate the benefits of investing in the City and to develop important network connections.
- There may be opportunities for the City to collaborate with neighboring municipalities to improve cross-communication, share a unified vision for commercial and industrial activities, and promote a regional approach to economic development.
- The current communication channels and information platforms should be improved, with a focus on understanding the intended audience for effective communication and engagement. The feedback received is that currently there is limited information readily available to investors and industry professionals (e.g., limited information on EETP, no site selection tool, and limited industrial land inventory and services).
- Investors and industry professionals have not been regularly informed of key opportunities and initiatives in Edmonton, such as the current portfolio of City infrastructure and assets. There are opportunities to identify the key assets that make Edmonton a competitive and attractive place to do business, such as the transit system, labour pool, affordability of Edmonton for people to live and conduct business, quality of life amenities, and population growth.

Investment Attraction & Retention

Stakeholders indicated that (continued):

- The City needs to better understand the needs of potential investors which will assist prioritizing in industrial projects, directing resources and investments, and improving investment attraction to Edmonton.
- Stakeholders indicated that infrastructure, transit access, permitting process and timelines, taxes and financial incentives may be major factors to some new businesses when they are conducting site selection and jurisdictional comparisons. The overall impact of each of these is likely dependent on the specific sector. For example, it was noted that heavy industrial likely does not prioritize transit access but rather chooses to invest based on access to rail, water, feedstock, etc.
- Stakeholders noted that it is also equally important to focus on improving the local economy and creating job opportunities for established businesses, in addition to investment attraction efforts on new sectors. For example, leveraging the growing population to encourage manufacturing growth, and creating a business-friendly environment to build manufacturing sites in Edmonton.
- There may be a need to develop a process to establish early communication and coordination between industry, economic development entities, the City and utility providers in order for all parties to understand industrial investment criteria, associated costs, risks and/or issues, and process requirements. This may help potential investors to be able to make more informed decisions.

Investment Attraction & Retention

Stakeholders indicated that (continued):

- It was noted by stakeholders that the City has challenges around data limitations, what information is both available and up to date, and what is currently shared with potential investors and industry. There may be opportunities to provide information and data, perhaps through websites or online resources.
- There also may be opportunities to share further information around the development process, key requirements, and other elements that can cause delays in projects.
- Stakeholders have noted that there was formerly a program that provided aftercare to investors and businesses, however the program has inactive since the onset of the COVID pandemic. The program, while modest in scale and resource allocation, played a significant role in addressing the post-investment needs of businesses. Given the significance of aftercare services in supporting businesses, stakeholders indicated there is a gap and a potential need to allocate additional resources to support the ongoing retention and support for industrial businesses working or expanding in Edmonton.

“We are part of an ecosystem of organizations that support investors and businesses within the City. There is a need for collaboration and clarity on the roles we play.”

Business-Friendly Process

Actions in the Plan pertaining to strategic direction are shaded below:

Action 1: Improve Image, Reputation and Marketing Functions	Action 2: Implement Flexibility Regarding Design Standards	Action 3: Explore Alternative Funding Tools and Options
Action 4: Introduce Capital Project Prioritization Framework	Action 5: Increase Speed to Market Development	Action 6: Leverage Industrial Business Facilitation and Retention Program
Action 7: Increase Investment Readiness of Edmonton Energy and Technology Park	Action 8: Implement Eco-Industrial Principles	Action 9: Prioritize Industrial Infrastructure Projects
Other / New Actions		

Stakeholders indicated that:

- External stakeholders reported that a key challenge and barrier to doing business in the City is the longer permitting timelines. The City’s permitting process is generally more complex than those of surrounding municipalities, due to circulation requirements across departments and external entities which generally results in longer timelines for approvals. Some provided examples that their permitting process took 90-days to complete, which is double the time when compared against the MGA requirements for the time allowed by a municipality to process a permit.
- Internal stakeholders indicated that many applications do meet defined City service levels in regards to timelines. 81% of development permits (new commercial, mixed use, or industrial) are within their target range and are processed within 66 days on average. It was also noted that these timelines were not tracked specifically for industrial applications.
- External stakeholders have also indicated challenges in working with utility providers in industrial applications, indicating that at times it may take up to 6 months to resolve permitting issues with utilities. Internal stakeholders at the City have indicated that utilities generally are able to respond within defined timelines and often do prioritize urgent requests on an escalated timeline if required. Delays with utility providers may also be attributed to the complexity of the system, the overall volume received, and the general quality of information provided.
- External parties and regulators can also slow down the development process, as top of bank studies and remediation work conducted through Alberta Environment can take up to 6-8 months to complete. Top of bank studies can only be completed in the summer months, which can create further time constraints.

Business-Friendly Process

Stakeholders indicated that (continued):

- The quality of submitted applications substantially influences the efficiency of the process. At times, perceived delays attributed to the City may be due to incomplete submissions by project owners, which may include missing information and schedules. Furthermore, there is a notable need for an improved system that allows applicants to track the status of their applications and identify the responsible stakeholders involved.
- Development Services initiated process improvement work in 2018, focused predominantly on creating efficiency in the processes for large-scale applications. This work identified that large-scale projects don't necessarily fit into a mold to create an efficient process that meets all needs. The Client Liaison Unit (CLU) was developed from this work, which is a dedicated team to facilitate these large-scale projects. The CLU is not specific to industrial development, and this is a relatively small portfolio of their work (estimated that they would assist on 6 of the 10 large scale industrial development projects conducted per year).
- The Client Liaison Unit offered valuable support to developers, but it requires the developer to initiate this contact with the CLU. It is possible that some developers may be unaware of or not fully comprehend the services they provide. Stakeholders have indicated that the Client Liaison Unit has been helpful in expediting the process and seemed to advance permitting timelines relative to others who did not have the same level of support.
- Industrial developers may benefit from additional education and upfront support to navigate land development processes and requirements effectively. Early consultation with the City (and potentially utilities) may facilitate a better understanding of process requirements and financial costs, allowing a more efficient process overall.

“An online retailer secured a permit for a million square foot warehousing facility located in the County of Leduc in just 10 days, a process that may have taken upwards of 90 days within the City of Edmonton.”

Land, Infrastructure, & Assets

Actions in the Plan pertaining to strategic direction are shaded below:

Action 1: Improve Image, Reputation and Marketing Functions	Action 2: Implement Flexibility Regarding Design Standards	Action 3: Explore Alternative Funding Tools and Options
Action 4: Introduce Capital Project Prioritization Framework	Action 5: Increase Speed to Market Development	Action 6: Leverage Industrial Business Facilitation and Retention Program
Action 7: Increase Investment Readiness of Edmonton Energy and Technology Park	Action 8: Implement Eco-Industrial Principles	Action 9: Prioritize Industrial Infrastructure Projects
Other / New Actions		

Stakeholders indicated that:

- Stakeholders indicated that a barrier for industrial development in the City is the limited amount of ‘shovel-ready’ land available for developers. This includes land that is zoned and serviced with the appropriate infrastructure for their needs. This will be specific to the different types of industrial development.
- There may be opportunities for the City to explore if there are administrative work or investment that the City can bear to make the land more desirable for investors. Examples included servicing packages, funding that is tied specifically for different spots, and zoning the land.
- Stakeholders indicated that some municipalities develop industrial parks with certain sectors defined, so that they can build the land out to suit those types of investments and needs. This includes some pre-work administratively that the City can take on, which requires financial investment, to incentivize that type of development or clusters to form.
- Within the EETP, there is pre-existing infrastructure and closely located resources such as utilities, rail, and access to water. However, most infrastructure is positioned along the perimeter, which presents challenges as companies look to establish their operations within the interior of the EETP, which lacks infrastructure.

A light industrial company indicated it took them over a year to find a 5-10 acre parcel of land in the interior parts of the City that was serviced and readily met their needs. Lack of serviced land is noted as a key challenge within the City.

Land, Infrastructure, & Assets

Stakeholders indicated that (continued):

- Most parties interested in the EETP are companies, not developers, and they are looking for ‘shovel-ready’ land, and do not want to spend the up front capital to secure utilities and required road infrastructure.
- For companies looking to lease existing properties, the market is characterized by its tight and highly competitive nature, as stakeholders indicated the vacancy rate in industrial properties is estimated at 4%. It was also noted that warehousing vacancy is currently very limited and is estimated at 1%, while manufacturing spaces are estimated to have a slightly higher vacancy rate at 2%.
- Transit services in industrial areas pose notable challenges related to accommodating specific route requests, particularly in light of shift work schedules. These complexities extend to aligning transit services with the varying shifts and addressing resource allocation challenges between peak and off-peak hours. In addition, there are challenges around the installation of fundamental infrastructure components, including bus shelters, due to existing limitations in transit infrastructure within industrial areas, such as inadequate concrete pads and sidewalks. Providing additional transit service to industrial areas of the city is limited as a new bussing garage would be required to provide additional service. Construction of this facility is anticipated to begin in 2028.
- Enhanced collaboration among developers, the City, and utility providers at an earlier stage is essential for aligning design assumptions with actual requirements. This proactive approach ensures the proper consideration of operational needs and the timely establishment of necessary infrastructure. For instance, the involvement of EPCOR is often deferred until later stages of the process, hindering the timely assessment of project-specific requirements.
- Stakeholders indicate that there are considerations that may impact how sanitary is managed at the City. It was noted that regardless of type of development, design requirements for consumption or sanitary are based on volume requirements. The material, pipe sizing, etc. will not change based on other factors.

Historical design standards indicate that pipes sized 80 m³ / ha are required; however, most industrial sites on average require 2 m³ / ha. This often results in oversized pipes, which increases overall project costs and can result in unused capacity and smelly pipeline systems.

Land, Infrastructure, & Assets

Stakeholders indicated that (continued):

- Stormwater regulation is tailored to the specifics of each site, with industrial development typically subject to on-site regulation through a combination of on-site storage and sewer collection systems. Considerations for design specifications encompass lot size and peak flows. While historical drainage standards once stipulated pipeline requirements at 80 m³ per hectare in diameter for industrial cases, the practical utilization in most industrial areas has been significantly lower at 2 m³ per hectare.
- Stakeholders also indicated that it was heard previously that the City's sewage system does not have capacity and would not be adequate to support current or future growth, including annexations. Upon consultations with utility providers, it was confirmed that the City does have the capacity for the additional requirements in annexed land. It was noted that most industrial users are unlikely to have large-scale water requirements that are required in other types of developments.
- Work has been initiated parallel to the Zoning Bylaw Renewal work that focuses on modernizing standards for water and wastewater. Previously, upgrades were prescriptively determined based on zoning requirements. There was a recognition that this may result in the oversizing of infrastructure. Under the modernized approach, upgrades are dependent on built-form based on the Fire Underwriter's Survey.

Policy & Regulation

Actions in the Plan pertaining to strategic direction are shaded below:

Action 1: Improve Image, Reputation and Marketing Functions	Action 2: Implement Flexibility Regarding Design Standards	Action 3: Explore Alternative Funding Tools and Options
Action 4: Introduce Capital Project Prioritization Framework	Action 5: Increase Speed to Market Development	Action 6: Leverage Industrial Business Facilitation and Retention Program
Action 7: Increase Investment Readiness of Edmonton Energy and Technology Park	Action 8: Implement Eco-Industrial Principles	Action 9: Prioritize Industrial Infrastructure Projects
Other / New Actions		

Stakeholders indicated that:

- The City's property tax rates are a barrier for industrial development within the City. Compared to others in the region, the City's property taxes are higher and can result in increased costs over time. Stakeholders noted that the City should identify and communicate what additional levels of service that developers and companies will receive by investing in the City for the relatively higher taxes they pay, such as access to transit, and impact on overall lifestyle and access to nearby amenities.
- The City does not charge machinery and equipment (M&E) taxes, which can be perceived as an incentive provided by the City. However, this may impact different sectors in different ways. For example, warehousing companies probably do not require much M&E and therefore will not realize much savings. Heavy industrial will save on M&E, however, it was noted that this is not a top priority for this industry, who prioritized elements like access to transportation and resources as higher priorities in site selection.
- The City's recent Infrastructure Cost Sharing Program was a positive program for them and has helped to offset some of the costs of servicing developments. Industry stakeholders have expressed a willingness to participate in cost-sharing programs and initiatives aimed at facilitating the construction of necessary infrastructure on industrial properties.
- There is appetite for more incentives or funding options that can reduce risks and provide financial benefits to developers, optimizing project timelines, and facilitating capital investment recovery. Furthermore, incentivizing the development community can result in long-term benefits for the city, particularly in terms of tax revenues and overall growth.

Policy & Regulation

Stakeholders indicated that (continued):

- There may be opportunities to explore different types of programs than are typically offered by the City, like seeking out venture capitalism partnerships to secure funding for capital. This may include things like “Green Bonds” to fund projects with environmental components.
- Funding programs or incentives can be administratively burdensome without a clear understanding of the return on investment. It was noted that the costs of these types of programs may outweigh the benefits and that perhaps instead of the City bearing some of these financial costs, they should be investing in infrastructure to incentivize development where there are tangible outputs.
- Evaluate the feasibility of flexible design standards and carefully weigh the potential advantages and drawbacks of permitting more adaptable regulations. One of the key challenges identified with flexible design standards is that this inevitably may result in additional downstream costs for the City in the future. It was noted that there should be options to develop vibrant communities that meet the needs of industry while still meeting safety standards.
- Feedback regarding flexible design standards was mixed; some stakeholders reported that they have had positive experiences applying flexibility in design standards while others indicated that working through these requirements can create significant timeline delays (e.g., one example provided was 6 months).
- EPCOR initiated Standards Modernization for water and wastewater in parallel to the Zoning bylaw renewal, supporting the City’s Flexible Design Standards action. The new approach provides the option of using the single number in the standards for efficient development or the option of customized standards for more complex applications. It was noted that stakeholder engagement in these processes highlighted the need for further work that EPCOR is understanding regarding large blocks in greenfield and infill development.
- There may be some changes to Area Structure Plans (ASP) required, either in response to key changes resulting from flexible design standards, or re-looking at ASP’s across the City based on what is looking to be achieved within different areas or sectors.
- When determining whether to locate in Edmonton or in the surrounding region, a large warehousing company conducted a comprehensive financial analysis on property taxes. By locating in the surrounding region, the company could realize savings of approximately \$13 million over the course of a ten-year lease due to lower taxes.

Environmental & Social

Actions in the Plan pertaining to strategic direction are shaded below:

Action 1: Improve Image, Reputation and Marketing Functions	Action 2: Implement Flexibility Regarding Design Standards	Action 3: Explore Alternative Funding Tools and Options
Action 4: Introduce Capital Project Prioritization Framework	Action 5: Increase Speed to Market Development	Action 6: Leverage Industrial Business Facilitation and Retention Program
Action 7: Increase Investment Readiness of Edmonton Energy and Technology Park	Action 8: Implement Eco-Industrial Principles	Action 9: Prioritize Industrial Infrastructure Projects
Other / New Actions		

Stakeholders indicated that:

- The City had various plans (E.g., Connect Edmonton, The City Plan) that outlined the goals to accelerate direction towards climate change, including achieving half emissions by 2030 carbon neutrality by 2050. This will be an important consideration for the City in how industrial development should grow. There may be tensions that arise from increased desire to grow industrial tax bases while potentially increasing the emissions in City limits.
- The need to change the perception and concept of the industrial sector, moving away from outdated notions of pollution and waste to incorporate environmental and climate-resilient practices. Suggestions include exploring carbon capture technologies, incentivizing LEED-certified buildings, and creating jobs in line with Environmental, Social, and Governance (ESG) principles.
- Companies have already incorporated green standards (e.g. LEED certification) as this is seen as a ‘badge of honor’ they include as part of their own environmental goals, but are open to discussing further requirements or green-infrastructure opportunities with the City.
- Explore opportunities to ‘prioritize’ industrial projects with green components, such as solar, eco-industrial design principles, LEED certification, etc., which may include fast-tracking applications or creating specific incentive programs.
- The City may need to more broadly consider the ‘net’ side of environmental impacts; while an industrial investment may increase emissions in the short-run, the increased taxes could be used to offset other green investments or technology within the City.

Environmental & Social

Stakeholders indicated that (continued):

- The City has goals regarding social priorities including Indigenous reconciliation, GBA+, anti-racism and immigration and / or marginalized communities. Additional direction on how these goals specifically apply to industrial development should be considered, including how or if the City should consider potential investors according to requirements against these goals. Or, if they City is looking to specifically prioritize industrial development opportunities from these groups.
- To attract specific marginalized groups in industrial development, it was noted that there are innovative opportunities to explore, such as creating investment packages that are tailored to the Indigenous or marginalized communities, which may include funding infrastructure, having a point of contact to facilitate knowledge and information sharing, sharing key incentives or funding opportunities available, or developing marketing packages that outline key sectors of interest.
- To be inclusive and understand investment opportunities, challenges, and barriers from these marginalized communities, the City should consider further engagement of these communities throughout the updating of the Plan and when developing the resulting initiatives and programs.
- Across environmental or social consideration, the City should identify what the goals are specifically in regards to industrial development, and then consider whether they approach this through incentives, or criteria to evaluate potential investments.

The City of Montreal incentivized LEED certified developments (Silver minimum), by exempting property taxes for five years. Stakeholders indicated that this may have offset or at least contributed to the cost of implementing these designs.

Appendices

Appendix A: List of Participants – Internal Stakeholders

Name	Role	Branch
Daniel Vriend	Director, Planning & Scheduling	Edmonton Transit Service
Sarah Feldman	Director, Business Integration	Edmonton Transit Service
Anton Szabo	Director, Policy & Data Quality	Assessment & Taxation
Neal Osaduik	Director, Land Development	Real Estate
Raymond Reimer	Director, Corporate Accounting - Capital	Financial Services
Tom Mansfield	Director, Local Economy & Investment Services	Economic Investment Services
Rhonda Toohey	Director, Urban Strategies	Planning & Environmental Services
Howaida Hassan	Director, Urban Growth	Planning & Environmental Services
Chandra Tomaras	Director, Environment & Climate Resilience	Planning & Environmental Services
Jatinder Tiwana	A/Director, Planning Coordination	Development Services
Mark Pivovar	Director, Development Coordination	Development Services

Appendix A: List of Participants – Internal Stakeholders

Name	Role	Branch
Ian Gallagher	Director, Regional Development	Economic Investment Services
Chris Thiessen	Director, Property Transactions	Real Estate
Bonnie Bryks	Director, Finance	Financial Services
Stephen Leroux	Director, Taxation Operations	Assessment & Taxation
Mike Klueh	Director, Department Strategy	Urban Planning & Economy
Lyla Peter	Director, Development and Zoning	Development Services
Ryan Heit	Director, Assessment Operations	Assessment & Taxation
Allie Lam	Senior Communications Advisor UPE	Urban Planning & Economy
Alex MacPherson	Senior External Relations Advisor	Urban Planning & Economy
Mark Torjusen	Senior Communications Advisor UPE	Urban Planning & Economy
Matthew Ivany	Supervisor, Transportation Planning & Design	Integrated Infrastructure Services

Appendix B: List of Participants – External Stakeholders

Organization	Name	Role
NAIOP	Anand Pye	Executive Director
Urban Development Institute (UDI)	Kalen Anderson	Executive Director
Remington Development Corp	Sheldon Taitinger	General Manager Construction
Remington Development Corp	Kris Augustson	Vide President Leasing and Land Sales
Walton Global	Robert Nixon	Senior Vice President, West Region
One Properties	Kelly Pawlick	Vice President Industrial
SIWIN Food Manufacturing	Gord DeJong	Siwin Foods Vice President
Polykar	Amir Karim	President and CEO of Polykar
Applied Pharmaceutical Innovation	Andrew MacIssac	Chief Executive Officer
Growing Greener (Grengine)	Connie Stacey	Owner and Founder
Alberta Innovates	Laura Kilcrease	Chief Executive Officer

Appendix B: List of Participants – External Stakeholders

Organization	Name	Role
Alberta Industrial Heartland Association (AIHA)	Kendra Dawe	Manager of Government Relations
Alberta Industrial Heartland Association (AIHA)	Mark Plamondon	Executive Director
Edmonton Unlimited	Abbie Stein-Maclean	Head of Capital City Pilots
Edmonton Global	Brent Jensen	Senior Director, Business Development
EPCOR	Susan Ancel	Director, One Water Planning
EPCOR	Abhishek Bhargava	Senior Manager Pipe Strategies
EPCOR	Matt Langford	Manager, Stormwater Planning
EPCOR	Filip Dundur	Manager, Modelling and Development
EPCOR	Hala El Saadi	Director, Customer Operations
EPCOR	Catherine Wagner	Senior Manager, Customer Connections
EPCOR	Philip Ramos	Manager, Customer Engineering Services

Appendix B: List of Participants – External Stakeholders

Organization	Name	Role
BOMA	Earl Mckenzie	Director, Communications and Advocacy
BOMA	Lisa Baroldi	President and CEO
Panattoni	Mark Edwards	Senior Director of Development
ATCO	Stewart Tighe	Manager, Key Accounts and Commercial
ATCO	Trevor Harding	Manager, Sales and Origination
ATCO	Brodie Chalmers	Manager, Hydrogen System Planning
ATCO	Abbas AliBeg	Senior Engineer, ATCO Gas



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WHAT WE HEARD: STAKEHOLDER ENGAGEMENT - APRIL 2024

As part of the development of the 2024 Industrial Investment Action Plan (IIAP), the City held a second round of stakeholder engagement on April 19 and 22, 2024 to confirm and revise the new and updated actions. Three ‘World Cafe’ style sessions were held with a mix of external and internal stakeholders to (1) present the draft 2024 IIAP actions and verify that each action reflected the intent of what was heard at previous sessions, (2) confirm which stakeholders should be involved in the delivery of which actions, and (3) gather input on which actions should be prioritized in the plan’s implementation. Overall, the feedback was informative, strategic and positive. Stakeholders shared their thoughts on each of the actions and helped identify which actions they would like the City to prioritize.

Session Participants

Organizations	
Alberta Industrial Heartland Association	EPCOR
Alberta Innovates	NAIOP
Applied Pharmaceutical Innovation	One Properties
ATCO	Panattoni Development Company
BIA Northwest Industrial	Realtors Association of Edmonton
BOMA	Remington Development Corporation
Edmonton Unlimited	V3 Companies of Canada

Key Themes

Overall, the feedback received during the engagement sessions confirmed the direction for the new and updated draft actions and reflected an understanding of the challenges and opportunities facing Edmonton’s industrial sector, with a focus on strategic planning, collaboration, and measurable outcomes.

The following key themes emerged from the stakeholder feedback:

- **Infrastructure investment and prioritization should be the City’s top priority** - Most stakeholders, both internal and external, felt that the City should focus on creating a prioritization tool, which would help inform decisions about infrastructure investments this would include:
 - Focusing efforts and resource allocations,

- Including transit in the prioritization tool (as much development is occurring near exterior City limits) in addition to physical infrastructure,
- Working with the development industry to identify, forecast and prioritize areas of growth, and
- Enhancing City data sets to provide transparency to investors and developers.
- **The City should continue to improve business processes and enhance services for industrial customers** - Stakeholders noted the success of the City's process improvement work and how it has provided clarity around permit requirements and has created a consistent applicant experience. Stakeholders see benefit in continuing and expanding this work going forward. Other suggestions included:
 - Creating an improved and dedicated industrial permitting and licensing processes to provide a consistent experience, and
 - Consider expanding the services of the Client Liaison Unit (CLU) to serve industrial customers
- **Stakeholders noted that the City should clearly articulate Edmonton's value proposition and market Edmonton's advantages to priority target sectors** - Stakeholders shared that the City could do a better job of marketing and should collaborate with key players in each sector to identify strategic marketing opportunities. In addition, it was noted that investors would benefit from easy access to critical decision making criteria such as available assets, lands, infrastructure and labour force.
- **Flexible design standards should be allowed while recognizing that most of Edmonton's industrial areas are urban and some aesthetic standard is needed** - The City should allow for some flexibility on individual development applications while still taking a holistic view of infrastructure needed for a wider area. The need for transit in many industrial areas will require the City to develop innovative solutions to facilitate pedestrians and bus stops. Stakeholder's advised that while the City should offer flexible design standards that the minimum standard should remain urban or semi-urban to promote transit and walkability in industrial areas
- **There is the need to identify opportunities for Indigenous and equity-deserving communities to participate in industrial investment and entrepreneurship** - Most stakeholders supported the idea of collaborating with Indigenous and ethnocultural communities to develop more investment and entrepreneurial opportunities. Feedback received was diverse and a need for refining the language used to describe this work was needed.
- **On numerous occasions, stakeholders identified the need to think regionally and sometimes past the Edmonton metropolitan region to seek opportunities for collaboration.**
 - Collaborating with economic development agencies should include both project-based and sector-based partnerships as well as appropriate federal and provincial investment attraction organizations.
- **Defining success is important.** Stakeholders also acknowledged the importance of ongoing monitoring and evaluation to track progress and measure the success of the IIAP, with emphasis on clear and innovative metrics, and reporting mechanisms to ensure stakeholder accountability and to guide future decision-making.

Priority Actions

As part of the engagement, participants were asked to identify which actions the City should prioritize by ranking their top three choices. All of the Actions included in the IIAP were identified as a priority by at least one workshop participant. This means that all IIAP actions were viewed as having value and none were identified to exclude.

The outcome of the exercise revealed the following three actions as being the most important:

1. Action 2: Establish and maintain an industrial infrastructure prioritization tool
2. Action 3: Increase efficiency and improve business processes for industrial development
3. Action 1: Market and promote the industrial advantages of Edmonton

This ranking will inform the City's implementation plan and resourcing over the next few years.

The success of the 2024 Industrial Investment Action Plan will mean working closely with our city-building partners and other key stakeholders and further engagement is anticipated as the projects are implemented.

Results

This feedback is a critical component to ensuring the IIAP is effective in promoting the successful growth of industrial development in Edmonton. What was heard from stakeholders during engagement has been incorporated into the 2024 IIAP actions.

CURRENT STATE OF INDUSTRIAL

The following document provides an overview of the key strengths, weaknesses, opportunities and threats as they relate to the current state of industrial investment in Edmonton and the City's positioning relative to our competition regionally, provincially, nationally and internationally. It is informed through engagement with internal and external stakeholders, research and analysis of competitive jurisdictions, the City's industrial land inventory, and the City's positioning within the Edmonton Region.

The City hired KPMG, Nichols Applied Management and ISL Engineering to lead and assist in the refresh of the Industrial Investment Action Plan (IIAP). KPMG, Nichols Applied Management and the City undertook stakeholder engagement sessions with internal and external stakeholders to obtain various perspectives on the key challenges and strengths of the existing industrial investment activities, and areas of opportunity and focus for the IIAP. KPMG and ISL Engineering undertook a review of the current state of Edmonton's industrial lands including a compilation, assessment and documentation of:

- A. Existing industrial land supply and land inventory profile
- B. Industrial land absorption trends
- C. Employment growth
- D. Industrial ecosystem and partners
- E. Current and emerging sectors/markets
- F. Available incentives and enabling policies

The current state assessment, competitive analysis, land availability analysis and stakeholder consultation concluded that in the industrial landscape, the City faces a number of challenges particularly when compared to its major competitors in the Edmonton region, and the cities of Calgary and Winnipeg, while offering a number of competitive advantages and strengths.

The following table and subsequent sections present the key findings of the current state of Edmonton's industrial ecosystem through a SWOT analysis. The SWOT identifies the Strengths, areas of Weakness, Opportunities and Threats that are facing the City of Edmonton in the industrial landscape. These key findings are provided to advance a clear understanding of the competitive standing of the city and inform the development of updated actions for the refresh of the 2024 Industrial Investment Action Plan.

KEY FINDINGS

Strengths	Weaknesses
S1. As Alberta's second largest city, Edmonton benefits from competitive provincial corporate and income tax rates.	W1. The City is disadvantaged relative to its regional competitors on tax rates, land costs, and more stringent design standards that increase development costs. In 2010, Edmonton's non-residential tax rate was 1.5 times the average rate of surrounding municipalities; by 2022, Edmonton's rate was 2.3 times the average rate.
S2. Edmonton does not have a Machinery & Equipment tax as compared to many of its regional neighbours that do. This is most impactful for large manufacturing and processing facilities.	W2. Stakeholders advised that there is no guidance of how flexible a developer can be when applying for flexible design standards.
S3. Steady GDP growth in 2024 and beyond.	W3. Most land greater than 10 hectares is located in EETP and is largely unserved.
S4. In 2024, Edmonton has a vacancy rate of 4.2% and an availability rate of 8%, which represents an optimum range, and balances the supply and demand of industrial property.	W4. Limited shovel-ready serviced land/high capital costs for unserved land.
S5. 67% of Vacant industrial lands are large unsubdivided agriculture parcels.	W5. Stakeholders identified that the City has a more complex permitting process than surrounding municipalities. This inefficiency can be a barrier to the speed of development.
S6. Growth in the land absorption rate rose from an average of 39 hectares during the pandemic to an average of 88 hectares over the last two years.	W6. Stakeholders identified the City does not have a dedicated permitting service for industrial developers.
S7. Edmonton has a large undeveloped industrial land supply with a diverse spectrum of parcel sizes available from less than 2 hectares to more than 10 hectares.	W7. Edmonton's national and international competitors offer more robust Incentives offerings.
S8. Edmonton's industrial property values are significantly lower compared to other major cities across the country making the City more desirable from a financial perspective to locate a business.	W8. There are existing industrial areas within the city with low to no infrastructure servicing and public transit service.
S9. Edmonton is home to a number of universities, research institutions, and innovation hubs.	W9. Value of industrial building permits have declined.

S10.	Edmonton has an extensive road, rail and air transportation network and is strategically located, connecting Canada's North and the Pacific Coast to the rest of the continent.	W10.	Stakeholders identified that the City's industrial focus and target sectors are relatively unknown and not well communicated.
S11.	Client Liaison Unit is available for large-scale industrial projects.	W11.	Stakeholders have advised that it is difficult to find information related to investment attraction, target sectors, and support.
S12.	Edmonton's population continues to grow, which is increasing its labour force with young and skilled workers. This growth is expected to continue well into the future.	W12.	Engagement has not occurred with Indigenous, ethnocultural and other equity deserving communities to reduce barriers to investment and entrepreneurship.
S13.	Edmonton's industrial areas have established sectors in construction, manufacturing and logistics.	W13.	Engagement has not occurred with Indigenous Communities on the identification of culturally sensitive and significant areas in established or new non-residential areas of the city.
S14.	The Edmonton Region is home to more than 429 clean energy and tech companies.	W14.	Edmonton's share of non-residential assessment in the region has substantially declined from 72 per cent of the region's base in 2008 to 60 per cent in 2022, which demonstrates that businesses are locating in the region, but not in the City. This declining share of non-residential tax base compromises the financial sustainability of the City and its ability to generate revenues.
Opportunities		Threats	
O1.	Availability of Federal and Provincial industrial incentives and support programs	T1.	The City is currently disadvantaged nationally on higher utility costs driven by the Province's dependency on natural gas for electricity generation.
O2.	Opportunities with the Edmonton Region Foreign Trade Zone.	T2.	Negative perception of industrial development by some environmental groups and citizens.
O3.	Established Sectors with a positive medium and long-term economic outlooks in the following sectors: food processing, advanced manufacturing, transportation and logistics, energy and cleantech, AI and tech and health and life sciences.	T3.	Roles and responsibilities for industrial investment attraction and growth are not well-defined.
O4.	Major investments in hydrogen and plastics production are likely to stimulate downstream industries such as manufacturing and logistics.	T4.	Directly adjacent areas in neighbouring municipalities have less complex permitting, and well defined sector focuses.

<p>O5. Edmonton is in close proximity to a number of natural resources within the petrochemical, net-zero hydrogen, and agricultural industries.</p>	
<p>O6. A large portion of Edmonton's industrial areas offer a number of urban amenities not seen in many of the other regional industrial areas such as transit, parks, as well the city offers a range of high density housing options including rentals, and a number of rec centres in close proximity. However, additional amenities need to be extended to all industrial areas of the city (including infrastructure (water, sanitary sewer, franchise utilities, roads, sidewalks, curb, gutter and storm drain) and transit).</p>	
<p>O7. The City of Edmonton has a number of existing partnerships and collaboration frameworks with regional municipalities, other orders of government, and economic development entities that can be used to attract industrial investment, share in the benefits of economic growth, and reduce interjurisdictional competition.</p>	
<p>O8. Ability to streamline the development process and apply these best practices to industrial development processes.</p>	

STRENGTHS

Strengths identify the internal factors that give the City of Edmonton a competitive advantage. These could be things that the City does particularly well, or in a way that distinguishes it from its competitors.

S1. As Alberta's second largest city, Edmonton benefits from competitive provincial corporate and income tax rates.

Corporate tax rates: Alberta stands out with its notably low corporate tax rate of 23% (8% provincial and 15% Federal). For small businesses (generating active business income below \$500,000), Alberta's corporate tax rate is even lower at 11% (9% federal and 2% provincial). This competitive advantage is a clear strength when compared to other Canadian provinces such as Manitoba, Ontario and British Columbia where corporate tax rates are 27%.¹

Personal income tax rates: Alberta has one of the lowest 2024 personal income tax rates in the Country with the province of Ontario, the Yukon, the Northwest Territories and Nunavut having similar or slightly lower rates.²

Other Provincial Considerations: Alberta does not have a provincial sales tax, payroll tax, or healthcare premiums.

S2. Edmonton does not have a Machinery & Equipment tax as compared to many of its regional neighbours that do. This is most impactful for large manufacturing and processing facilities.

Machinery and Equipment Tax: The City has a competitive advantage with respect to its regional neighbours as Edmonton does not charge Machinery and Equipment tax³. Edmonton has used the absence of the Machinery and Equipment tax to promote industrial development within city limits. All municipalities in the Edmonton Region charge Machinery and Equipment tax with the exception of the cities of Edmonton and St. Albert.

In Alberta, Machinery and Equipment refers to the components or equipment within commercial and industrial properties where manufacturing or processing occurs, that are not land, buildings, or structures.⁴ These properties include but are not limited to, refineries, chemical plants, pulp and paper plants, upgraders, food processing facilities, and grain and fertilizer handling facilities.

S3. Steady GDP growth in 2024 and beyond.

After growing an estimated 4.7% in 2022 Edmonton is forecasted to have moderate GDP growth in 2023 (2.7%) and that growth, while estimated to moderate into 2024 and beyond, will continue to grow. The City forecasts a 2.2% GDP growth forecast for 2024 and an annual growth of 2. % GDP from 2024 to 2027.⁵ Continued (and sustained) GDP growth maintains Edmonton as a stable market for development and investment.

S4. In 2024, Edmonton has a vacancy rate of 4.2% and an availability rate of 8%, which represents an optimum range, and balances the supply and demand of industrial property.

Edmonton's industrial real estate market is characterized by a trend of decreasing availability and vacancy across the City. As of Quarter Three 2023, both vacancy and availability are at their lowest points since Quarter Two 2015. This indicates healthy demand for industrial facilities; however, there is a potential shortage of industrial space to accommodate demand from new industrial investment. Potential shortage of industrial space is highest in the Northwest, Southeast, and Central areas of Edmonton. Demand is lower in the Northeast due to a lack of utilities and servicing.

¹ Invest Alberta: <https://investalberta.ca/why-alberta/tax-advantages/>

² [2024 provincial and territorial income tax rates](#)

³ [City of Edmonton: City of Edmonton Property Tax Exemption and Relief Discussion Paper](#)

⁴ [Government of Alberta: Municipal Government Act](#)

⁵ [City of Edmonton: Quarter Four 2023 Economic Update](#)

The data below described the supply, availability, and anticipated supply of industrial real estate in Edmonton.

Market	Total Inventory (sq.ft.)	Total Vacant Space (sq.ft.)	Vacancy Rate	Total Available Space (sq.ft.)	Availability Rate	New Supply (sq.ft.)	Under Construction (sq.ft.)
Northwest	61,010,970	2,701,275	4.4%	4,609,021	7.6%	252,801	727,397
Northeast	6,461,245	252,017	3.9%	434,439	6.7%	0	0
Southeast	53,113,965	2,155,058	4.1%	4,760,823	9.0%	59,000	672,482
Central	3,738,414	91,683	2.5%	147,594	3.9%	0	0
Edmonton	124,324,594	5,200,033	4.2%	9,951,877	8.0%	311,801	1,399,879

Edmonton has a vacancy rate of 4.2% and availability rate of 8%, which represents an optimum range, balancing the supply and demand of industrial property. If the vacancy rate were too low, it would indicate that the supply of industrial properties would not be able to keep pace with the demand.⁶

Vacancy and Availability are related real estate concepts where vacancy rates focus solely on the unoccupied units, while availability rates encompass both vacant units and those that are expected to become vacant soon. Availability rates provide a more comprehensive picture of the potential leasing opportunities within a given real estate market.

S5. 67% of Vacant industrial lands are large unsubdivided agriculture parcels.

The majority of vacant industrial land is found in new non-residential areas earmarked for long-term industrial use, specifically the agricultural zone, which typically consist of unsubdivided parcels exceeding 10 hectares. Lands with an agricultural zoning may typically be less constrained allowing for future land development to occur more efficiently. This is important because this would provide possible locations for large and mega sites for major investments.

S6. Growth in the land absorption rate rose from an average of 39 hectares during the pandemic to an average of 88 hectares over the last two years.

ISL Engineering undertook a review of the current state of Edmonton's industrial land absorption. Over the past five years, a total of 338 hectares were absorbed, averaging 67.6 hectares annually. In recent years, industrial vacant land absorption in Edmonton increased from 42 hectares in 2020, 36 hectares in 2021 to 118 hectares in 2022 and 58 hectares in 2023.

As noted above, Industrial absorption rates between 2019 and 2023 averaged 67.6 hectares per year, which is lower than the 10 year average of 81.6 hectares, from 2009 to 2018. This decline can be due to a number of factors including regional competition, land costs, and more stringent design standards that inflate development costs.

The Industrial Land Absorption Rate is used to measure the rate at which industrial properties are being purchased in a specific geographic area over a given time period, such as year-over-year. Absorption rate is a

⁶ [Edmonton Industrial Report Quarter Three 2023](#)

variable metric and can be impacted by various factors, such as: economic conditions, market demand, inventory levels, pricing trends, and external factors (e.g. changes to interest rates or government policies).⁷

S7. Edmonton has a large undeveloped industrial land supply with a diverse spectrum of parcel sizes available from less than 2 hectares to more than 10 hectares.

The industrial land supply is a fundamental component of the city's economic framework, playing an important role in shaping its industrial landscape, investment potential and economic growth. Understanding the industrial land supply and the inventory of vacant industrial land is important for developing effective programs and incentives. This sheds light on the availability and utilization of industrial land within Edmonton and enables a greater understanding of the City's capacity to accommodate and facilitate industrial growth.

Nichols Applied Management and ISL Engineering reviewed the current state of Edmonton's industrial lands to update the City's key land statistics for its remaining industrial land supply. The City has 8,144 gross developable hectares of industrial land. The following table provides an overview of the net developable hectares:

Industrial Land Supply Type	Total Available Net Developable Hectares
Unabsorbed Net Developable (Total City)	5,700.6
Edmonton Energy and Technology Park (EETP)	3,218.3
Unserviced Industrial Areas under Statutory Plan ⁸	1,514.9
Annexation Area without Statutory Plan	967.4
Additional Shovel Ready Land by end of 2024	69.0
Absorbed Industrial Land Supply (Total City)	6,210.0
Serviced Vacant Industrial land in Industrial Areas ⁹	359.1
Available Shovel Ready Land	133

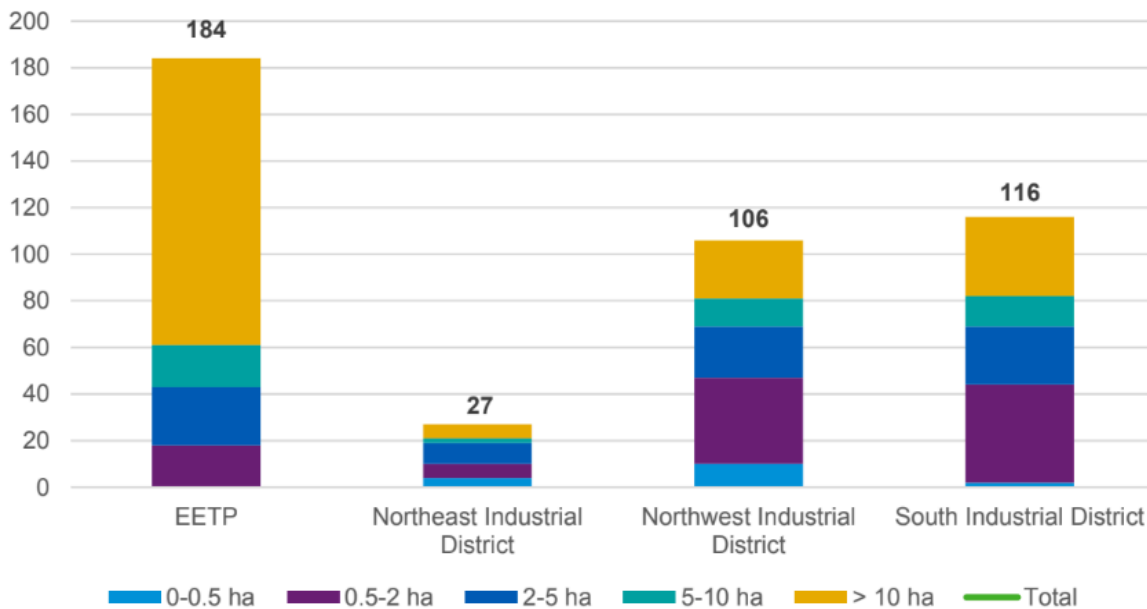
The City has 6,210 hectares of absorbed industrial lands. Developed industrial lands that have undergone land development to service the sites. By combining this figure with the additional 5,700 hectares of available net developable lands, the City is estimated to have 11,910 hectares of industrial lands at full build out. "Available shovel ready lands" are included in the "Serviced Vacant Industrial land in Industrial Areas" that have been improved to a state where an investor can purchase a site, take out a development permit and immediately commence construction. Shovel ready land includes the following services to the site: roadway access, water, wastewater and franchise utility services as well as removal of all organic material and backfilled to rough grade. Serviced Vacant Industrial land in industrial areas are lands that may be shovel ready or require additional servicing to become shovel ready.

⁷ [Financestrategists.com](https://www.financestrategists.com)

⁸ Winterburn(464ha), Crossroads(433ha), Maple Ridge(232ha), Ellerslie(190ha), Mistatim(185ha), Rampart(140ha), Alces (109ha), Pylypow(85ha), Kinokamau Plains(67ha) and Yellowhead Corridor(54ha).

⁹ Aurum(97 ha), Crossroads(53ha), Maple Ridge(38ha), Northwest Industrial Area(26ha), Ellerslie(24ha), Pylypow(21ha), Winterburn(17ha), South Industrial Area(15 ha), Mistatim(13 ha)

Vacant Industrial Land Parcel Distribution and Number by Industrial District



Source: City of Edmonton

Vacant land parcel sizes Edmonton has a diverse range of undeveloped parcel sizes that may be able to accommodate the varied needs of different target sectors. The majority of vacant parcels in the parcel inventory are parcels sized less than 2 ha in size (approximately 35% of vacant parcels) and parcels sized larger than 10 ha (approximately 38% of vacant parcels), Approximately 19% of the City's total vacant parcels fall within the size of 2-5 ha, and 8% within the size range of 5-10 ha.¹⁰ Lands within the City's annexation area have not been included in this analysis but are largely unsubdivided quarter sections of land.

S8. Edmonton's industrial property values are significantly lower compared to other major cities across the country making the City more desirable from a financial perspective to locate a business.

In addition to lower land values for both residential and commercial, Edmonton has lower property values than other major cities across the country due to abundance of land availability in the region. This combination of factors makes Edmonton an enticing destination for industries seeking affordable land without compromising on essential logistical advantages.

Average Industrial Sale Price per square foot Quarter Three 2023¹¹

Vancouver	Toronto	Ottawa	Halifax	Montreal	Calgary	Edmonton	Winnipeg
\$575	\$385	\$342	\$270	\$232	\$210	\$164	\$140

S9. Edmonton is home to a number of universities, research institutions, and innovation hubs.

Edmonton is home to the University of Alberta, MacEwan University, Concordia University of Edmonton and King's University. The City is also home to several prominent college campuses including NAIT (Northern Institute of Technology), Nor Quest College and Yellowhead Tribal College.¹²

Edmonton's knowledge base and world-leading research institutions include the Health Innovation Hub, Food Microbiology laboratory, and Nanofab centre at the University of Alberta, the Alberta Machine

¹⁰ [City of Edmonton: Vacant Industrial Land Supply Report](#)

¹¹ [Canada Industrial Figures Quarter Three 2023](#)

¹² [City of Edmonton:post-secondary-student-resources](#)

Intelligence Institute (Amii), Innotech (Alberta Fermentation Plant, Computed Tomography CT Imaging Centre, Ignition Quality Test Laboratory, Custom Analyzer Design and Assembly) among others.

Proximity to post-secondary institutions is a strength because it helps to facilitate collaboration on research, fostering innovation and the development of new technologies. Additionally, it provides access to a skilled talent pool ensuring a steady supply of qualified workers.

S10. Edmonton has an extensive road, rail and air transportation network and is strategically located, connecting Canada's North and the Pacific Coast to the rest of the continent.

Edmonton is located at the strategic confluence of several road, rail and air transportation networks used to service and connect the City to other regions, nationally and globally.

Road connectivity Edmonton is strategically located along Highway 2 (Queen Elizabeth 2) Corridor, which services northern Alberta, Canada's North, and constitutes parts of the CANAMEX / North-South Trade Corridor to allow for the more free movement of products and services generated in Edmonton to markets located in Alaska, the continental United States of America and Mexico.¹³ Edmonton is also located along Trans-Canada Highway 16 connecting eastern Canada (through Edmonton) to the Port of Prince Rupert on the West Coast.

Rail The City is home to multiple intermodal facilities allowing for transfer of goods from rail to road access to reach more markets.¹⁴ Located along the Canadian National (CN)¹⁵ and Canadian Pacific Kansas City (CPKC)¹⁶ mainlines connecting Edmonton with the Port of Prince Rupert, the Port of Vancouver and all other major centres and markets across North America.

Air transportation The Edmonton International Airport (EIA) is a northern hub / terminus for northern communities across Canada and internationally. This is supported through the EIA's commitment to continuously improving and expanding their cargo operations, which can support any size of operation including oversized, heavyweight, and industrial cargo. Recent major investments will see the conversion of 2,000 acres of land into a new global cargo handling operations hub to increase the airport's capacity and improve the movement of import and export trade routes to strengthen the region's supply chain.

EIA is one of North America's CEIV Pharma certified airports by the International Air Transport Association (IATA) for Center of Excellence for Independent Validators in Pharmaceutical Logistics. This certification provides assurances that types of medical supplies and temperature controlled-products can be handled by the certified airport community knowing they will arrive or depart in good order. It is also capable of multiple temperature zones for various agricultural products that need temperature controls.¹⁷

Edmonton is ideally placed with numerous aircraft moving daily enroute to Asia and Europe from the US. Edmonton International Airport is uniquely positioned as a service centre and cargo consolidation point for these intercontinental cargo flights and is enjoying growth from major international carriers such as Fedex. In addition, the Edmonton Region offers a reliable source of aircraft fuel at a competitive cost as a result of jet fuel refineries in the region.¹⁸

S11. Client Liaison Unit is available for large-scale industrial projects.

The City has a Client Liaison Unit to help investors and developers with large complex industrial or commercial projects navigate the City's development process. The unit supports projects based on construction value, complexity, potential job creation, tax revenues and locations that align with the City of

¹³ Government of Alberta: [Economic Corridor Development](#)

¹⁴ Edmonton Global: <https://edmontonglobal.ca/invest/connectivity-and-logistics/>

¹⁵ CN: [Tracks and Stations](#)

¹⁶ CPKC: [Intermodal facilities](#)

¹⁷ flyeia.com/business/cargo/ceiv/

¹⁸ <https://flyeia.com/business/cargo/>

Edmonton's goals (downtown, commercial main streets, established industrial areas or near a transit route). Through initial engagement with stakeholders, it was indicated that the Client Liaison Unit has had a positive benefit in helping expedite and advance permitting timelines, which has positively impacted the ability of developers to secure funding from institutional investors. It has been noted that when a developer needs to go through the rezoning process and to get their development permit it can take 3-4 years in a lot of jurisdictions, but with the City of Edmonton's focus on predictable timelines and with Client Liaison Unit, when needed, it will take a number of months, noting that the City is very helpful in setting predictable timelines.¹⁹

S12. Edmonton's population continues to grow, which is increasing its labour force with young and skilled workers. This growth is expected to continue well into the future.

Population Growth: With an estimated population of 1,087,803 in 2022, indicating a 2.86% increase from the previous year, the City of Edmonton is experiencing sustained growth.²⁰ Population growth over the 2024-2027 period is forecast to average 2.6 per cent annually in Edmonton. Over the last two years, a significant portion of population growth in the province has been from the arrival of non-permanent residents, which includes international students and temporary foreign workers. This population growth necessitates strategic planning and investment in urban planning, housing, and infrastructure to accommodate the evolving needs of a growing population. Long-term projections by the City of Edmonton indicate that the population will reach 1,306,000 by 2028²¹.

Labour Force: Overall, the Edmonton census metropolitan area labour market was encouragingly resilient in 2023 in the face of a population surge that pushed its working age population growth to a rate that topped all other major centres in Canada. A large share of new job seekers found opportunities in Edmonton, despite barriers to economic growth from elevated consumer inflation reducing household consumption.²²

S13. Edmonton's industrial areas have established sectors in construction, manufacturing and logistics.

The following table demonstrates the distribution of business across Edmonton's three industrial districts, utilizing data obtained from the City of Edmonton's business licensing records.

Number of Businesses in each In Industrial District by Sector

Industrial District	Total Inventory (sq.ft.)	Construction	Manufacturing	Logistics	Food Processing	Life Science
Northeast	61,010,970	19	32	20	2	1
Northwest	6,461,245	264	199	151	10	2
South	53,113,965	312	340	213	18	15

Northeast There is an emphasis on manufacturing, although the overall industrial activity level is relatively lower compared to the other districts. The larger presence of manufacturing businesses suggests a focus on production within this district. However, the counts in logistics and food processing indicate a potential opportunity for diversification and growth in these sectors. The limited presence in life science suggests that this district may not be a primary hub for advanced research and development activities.

Northwest With substantial numbers in manufacturing and logistics, it reflects a balanced approach to both production and distribution. Additionally, the district demonstrates a noteworthy presence in construction.

¹⁹ [City of Edmonton: Transforming Edmonton](#)

²⁰ [Government of Alberta Open Government dashboard](#)

²¹ [City of Edmonton Spring 2024 Forecast Summary Table](#)

²² [City of Edmonton Quarter Four 2023 Economic Update](#)

While the counts in food processing and life science are lower, they still contribute to the district's comprehensive industrial landscape. This balance suggests the potential for sustained growth and adaptability across various sectors.

South The district leads in construction, indicating a significant focus on infrastructure development. Moreover, the substantial presence in manufacturing and logistics underscores the district's role as a major production and distribution hub. The higher counts in food processing and life science also suggest a well-rounded approach, showcasing the district's capability not only in traditional industries but also in sectors requiring advanced technologies and research.

S14. The Edmonton Region is home to more than 429 clean energy and tech companies.

The Edmonton region is home to 429 of clean energy and technology companies that focus on traditional energy, power and utilities, waste management and recycling, ag-tech and agriculture, hydrogen, digitalization, carbon capture, and more.²³ In 2023, Alberta accounted for more than 92% of Canada's overall growth in renewable energy and storage capacity²⁴.

In addition to generation, current climate legislation is also supporting the transition to renewable energy sources. Under Alberta's climate change legislation, emissions from coal-fired generation will be phased out in the province by 2030. However, power generators in Alberta (including Capital Power, Heartland Generation, and TransAlta) have decided to advance plans for coal-to-gas conversions with all coal-fired facilities expected to switch by 2024²⁵.

This concentrated innovation ecosystem along with Edmonton's skilled and growing talent pool are key factors for an emerging clean energy and technology sector.

²³ [Calgary Economic Development 2021 Energy Transition Report](#)

²⁴ Canadian Climate Institute [Alberta's renewable energy restrictions](#)

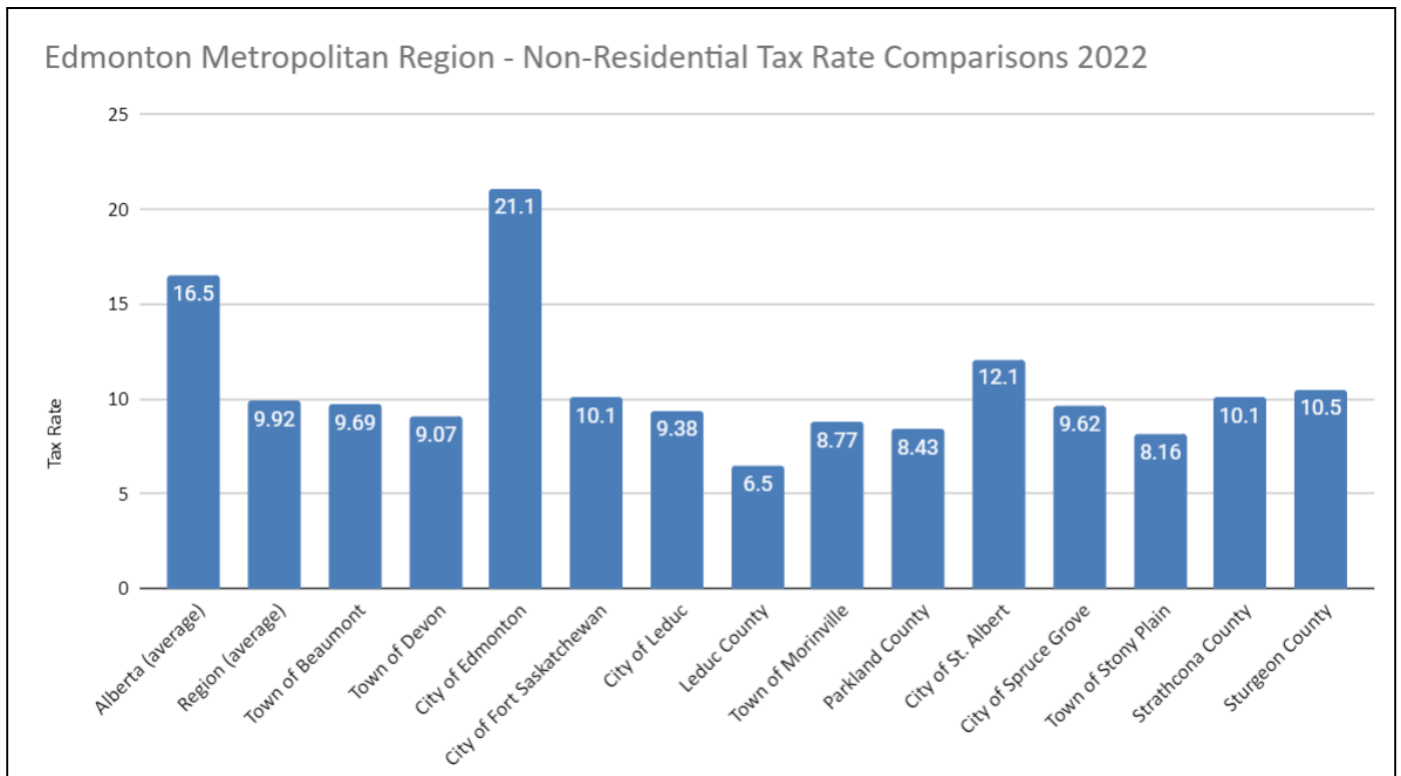
²⁵ Canada Energy Regulator [Provincial and Territorial Energy Profiles – Alberta](#)

WEAKNESSES

Weaknesses identify internal factors that may hinder the City of Edmonton’s competitiveness. These include limitations in resources, operational inefficiencies or offerings relative to competitors.

W1. The City is disadvantaged relative to its regional competitors on tax rate, land costs, and more stringent design standards that inflate development costs. In 2010, Edmonton's non-residential tax rate was 1.5 times the average rate of surrounding municipalities; by 2022, Edmonton's rate was 2.3 times the average rate.

In the Edmonton Metropolitan Region, the City faces significant competition from neighbouring regional industrial areas with established competitive advantages that are situated in close proximity to the city. Each of these areas has distinct sector strengths, ready access to transportation, more lenient design standards as indicated by stakeholders, and comparatively lower land values²⁶ and tax rates.²⁷ As such, industrial investors interested in construction, warehousing, logistics, petrochemicals, oilfield servicing and fabrication may prefer these areas over Edmonton as there are clustering of similar businesses, cheap land and it is in proximity to labour force.



W2. Stakeholders advised that there is no guidance of how flexible a developer can be when applying for flexible design standards.

Design Standards are developed by the City for the purpose of establishing expectations in the design and construction of City assets. These standards set out the minimum requirements to be satisfied in the planning, design and construction of municipal improvements within the City of Edmonton²⁸. The City allows flexibility in the application of these standards on a case by case basis.

²⁶ [Avison Young Quarter Four 2023 Edmonton Industrial Market Report](#)

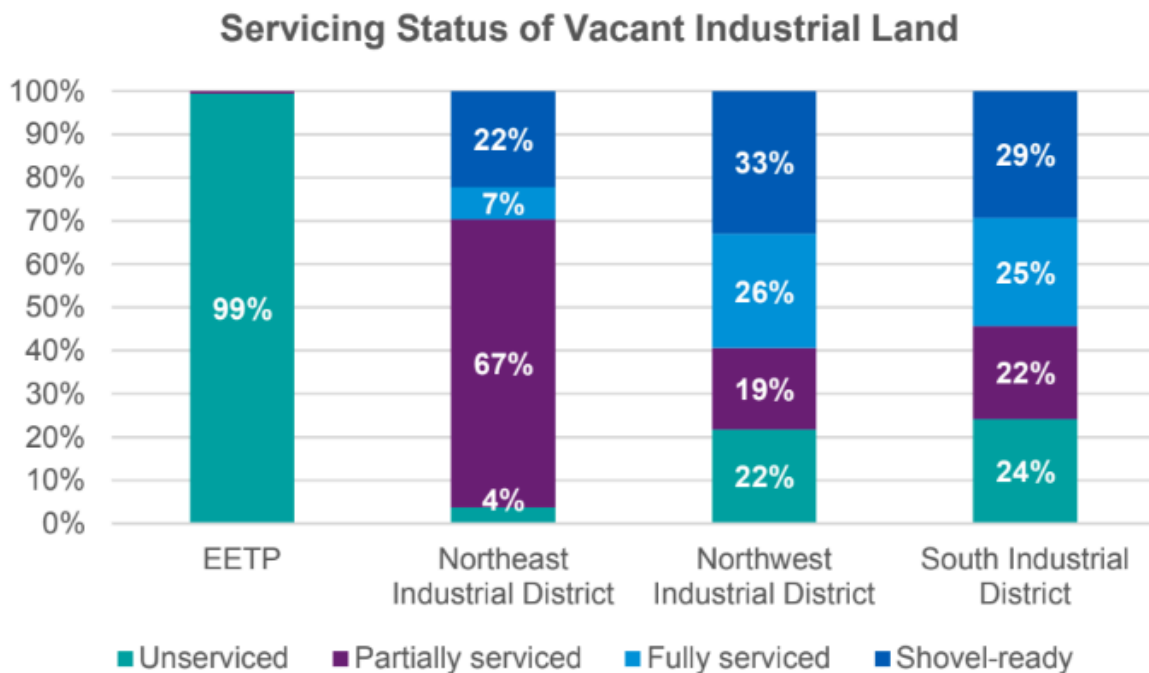
²⁷ Government of Alberta: [Municipal Mill Rate Dashboard](#)

²⁸ [City of Edmonton Design and Construction Standards](#)

Stakeholder consultation indicated that Edmonton has more stringent urban design standards relative to regional competitors and that it is unclear how far applicants can deviate from the design standards through the application of flexible design standards. Stringent urban design standards have the potential to negatively impact the costs and timeline of new industrial developments.

W3. Most land greater than 10 hectares is located in EETP and is largely unserviced.

Current land supply analysis indicates that the majority of the vacant land supply greater than 10 hectares in size is located in the Edmonton Energy and Technology Park (EETP).²⁹ While the EETP does benefit from nearby transmission mains and arterial roadways where servicing could be extended into the park, the majority of these lands are located on the park’s perimeter. Sectors considering the EETP district may require substantial investment in basic infrastructure which may make development in the immediate future unfeasible and cost prohibitive for developers.³⁰ In the current market, there is a stronger preference for land on the southern edge of the City rather than the North.



Source: City of Edmonton

Servicing Status in industrial land in each industrial district range from fully serviced to unserved. The definitions of the categorizations are as follows: Shovel-ready: Already serviced land that is ready for a development permit application. Fully Serviced: Servicing is in place or can be connected when development is proposed but on site development has not yet occurred (example removal of organics, backfilling of property, geotechnical engineering, etc.). Partially Serviced: Requires additional municipal infrastructure or extensions. Unserved: Does not have any municipal servicing provided to the site. Lands within the City’s annexation area have not been included in this analysis but are largely unserved.

W4. Limited shovel-ready serviced land/high capital costs for unserved land.

Through stakeholder consultation led by KPMG, feedback indicated that a barrier for industrial development in the City is the limited amount of shovel-ready land available. Stakeholders acknowledged that the current supply of shovel-ready land is primarily limited to existing serviced industrial areas and there are high capital

²⁹ [City of Edmonton: Vacant Industrial Land Supply Report](#)

³⁰ [What We Heard Report](#)

costs associated with developing some of the larger supply areas like the Edmonton Energy Technology Park (EETP).

Stakeholders identified that the Edmonton Energy Technology Park (EETP) may continue to face challenges with investment until the appropriate infrastructure is in place to attract companies.

W5. Stakeholders identified that the City has a more complex permitting process than surrounding municipalities. This inefficiency can be a barrier to the speed of development.

Permitting timelines and the complexity of the City's permitting process have been identified by external stakeholders as a key challenge to supporting a business-friendly process and atmosphere for developers. Stakeholders have identified that the City's process - which requires a more detailed circulation process across internal departments and external agencies is more complex in comparison to other surrounding municipalities and, as such, leads to longer approval timelines. Stakeholders have also indicated challenges in working with utility providers in industrial applications, indicating that at times it may take up to 6 months to resolve permitting issues with utilities. External parties and regulators can also slow down the development process, as top of bank studies and remediation work conducted through Alberta Environment can take up to 6-8 months to complete.

W6. Stakeholders identified the City does not have a dedicated permitting service for industrial developers.

Stakeholders appreciated that the City developed the Client Liaison Unit to help create efficiencies in processing large-scale applications. The City of Edmonton also has a dedicated team (Business Friendly Edmonton) to provide customized support to business owners of all sizes and stages. The Client Liaison Unit and Business Friendly Edmonton team do not have separate processes for industrial developments.

Through the initial engagement sessions, stakeholders identified a lack of a dedicated client service for industrial projects as a weakness. The City's Client Liaison Unit supports large scale development projects, which typically include 6-10 large scale industrial projects a year. To gain support from the Client Liaison Unit, developers must proactively seek their assistance, which runs the risk of some developers not being aware of this support. Stakeholders also felt that some developers may not be aware of or understand the full level of services that the Client Liaison Unit provides to potential industrial developers in the City.

Though the Business Friendly Edmonton team does not have a minimum size, it is also a program that requires developers and businesses to proactively seek their assistance, leaving some applicants who apply through the City's permitting process to not receive the same support as others. It was further noted by stakeholders that there is not a dedicated development officer or permit team for industrial projects and that if they are working on multiple aspects of a project requiring a series of permits over an extended time period, they could be working with multiple officers, which can add time and complexity to the process.

W7. Edmonton's national and international competitors offer more robust Incentives offerings.

The City of Edmonton offers the following incentives, policies and programs: Brownfield Redevelopment Grant Program³¹, C200B - Financing of Local Improvements Policy³², C595A - Neighbourhood Renewal Program³³, C507 - Arterial Roads for Development Policy³⁴, Permanent Area Contributions (PAC)³⁵ and the Industrial Infrastructure Cost Sharing Program³⁶.

³¹ [City of Edmonton Brownfield Redevelopment Grant](#)

³² [City of Edmonton Financing of Local Improvements Policy](#)

³³ [City of Edmonton Neighbourhood Renewal Program Policy](#)

³⁴ [City of Edmonton Arterial Roads for Development Policy](#)

³⁵ [City of Edmonton Permanent Area Contributions \(PAC\)](#)

³⁶ [City of Edmonton Industrial Infrastructure Cost Sharing Program](#)

KPMG undertook a competitive analysis comparing Edmonton's competitive position to the cities of Calgary, Winnipeg, Ottawa, Denver, Minneapolis-St. Paul and San Francisco. Findings from this analysis found that Edmonton's national and international competitors offer more robust incentive offerings which directly tie industrial land development and job creation to tangible tax benefits and grants. The absence of such programs may inhibit Edmonton's competitiveness for industrial site selection decisions.

Examples of competitor programs and incentives as well as programs and incentives that are beneficial to the cities from at the provincial/state and national level include:

- **City of Calgary:** Opportunity Calgary Investment Fund³⁷
- **City of Winnipeg:** Heritage and Economic Development Incentive Program³⁸, Green Energy Equipment Tax Credit³⁹, Manitoba Manufacturing Investment Tax Credit⁴⁰, Canada-Manitoba Job Grant⁴¹
- **City of Ottawa:** Advanced Manufacturing and Innovation Competitiveness Stream⁴², Southern Ontario Business Scale-Up and Productivity⁴³, Invest Ontario Fund, Southwestern Ontario Development Fund, Canada - Ontario Job Grant Training⁴⁴
- **Denver Metropolitan Area:** Advanced Industry Investment Tax Credit⁴⁵, Advanced Industries Accelerator Program⁴⁶, Collaborative Infrastructure Grant⁴⁷, Job Growth Incentive Tax Credit⁴⁸, Strategic Fund Job Growth Incentives⁴⁹
- **Minneapolis-St Paul Metropolitan Area:** Minnesota Investment Fund, Minnesota Job Creation Fund⁵⁰

W8. There are existing industrial areas within the city with low to no infrastructure servicing and public transit service.

While many of Edmonton's existing industrial areas are developed to a full-servicing standard, there are several industrial areas (e.g., Winterburn Industrial, Mistatim Industrial, and Southeast Industrial) where rural cross section roads (gravel, oiled or surface treated with ditches) and varying levels of other servicing (sanitary, storm, power, and potable water) exist. These conditions create challenges associated with poor roadway conditions due to the presence of heavy industrial traffic, flooding as a result of cross lot drainage and shallow rural ditches, high gravel roadway maintenance costs, and lack of fire protection from limited to no fire hydrants in some circumstances. Furthermore, many industrial areas within Edmonton have limited to no transit service, which can impede access to labour for businesses within underserved areas.

W9. Value of industrial building permits have declined.

The figure below provides the total value of City of Edmonton building permits for industrial buildings. The value of industrial building permits have declined and flattened out since 2016 with 2020 and 2022 seeing the lowest values.

³⁷ <https://www.calgary.ca/development/opportunity-investment-fund.html>

³⁸ <https://www.economicdevelopmentwinnipeg.com/site-selection/incentives>

³⁹ <https://www.gov.mb.ca/finance/tao/green.html>

⁴⁰ <https://www.gov.mb.ca/finance/business/ccredits.html#mbmitc>

⁴¹ https://www.gov.mb.ca/jec/busdev/financial/cmjg/pdf/cmjg_employer_factsheet.pdf

⁴² <https://www.ontario.ca/page/regional-development-program-advanced-manufacturing-and-innovation-competitiveness-stream>

⁴³ <https://www.mentorworks.ca/blog/government-funding/western-business-scaleup-productivity-overview/>

⁴⁴ <https://www.investontario.ca/incentive-programs-and-services#related>

⁴⁵ <https://oedit.colorado.gov/advanced-industries-investment-tax-credit#:~:text=Investors%20can%20earn%20a%20tax%20credit%20of%2025%25,income%20tax%20credit%20of%2035%25%20of%20their%20investment.>

⁴⁶ <https://choosecolorado.com/doing-business/advanced-industries/>

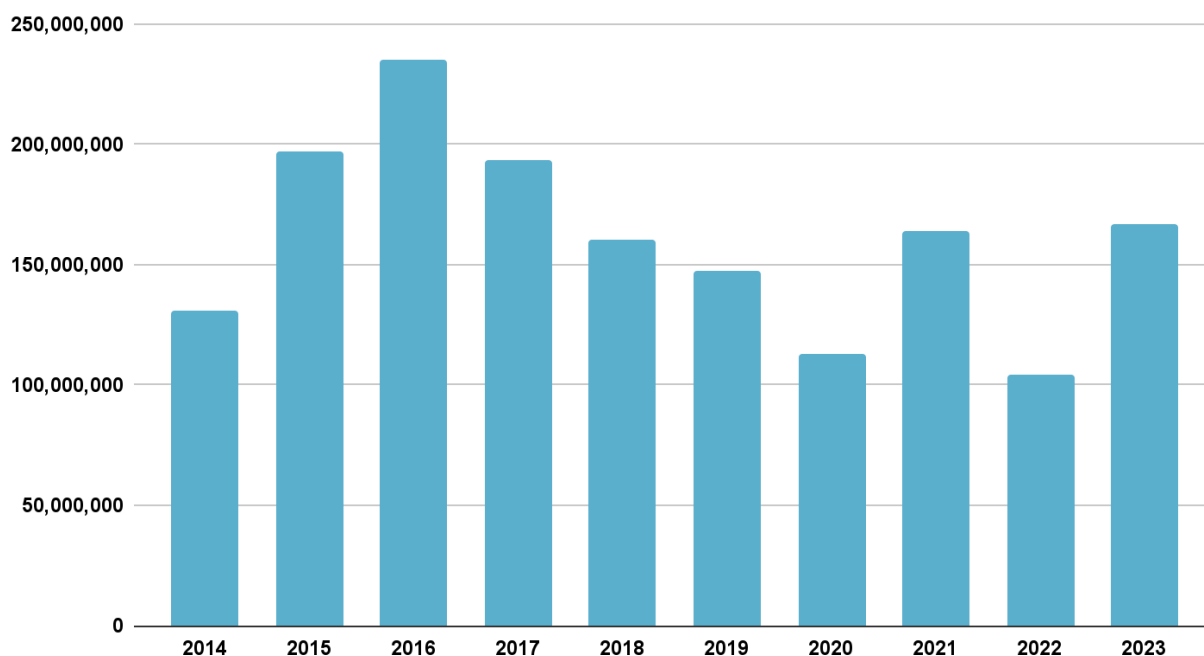
⁴⁷ <https://choosecolorado.com/doing-business/advanced-industries/>

⁴⁸ <https://choosecolorado.com/doing-business/incentives/job-growth-incentive-tax-credit/>

⁴⁹ <https://choosecolorado.com/doing-business/incentives/strategic-fund-job-growth-incentive/>

⁵⁰ <https://www.greatermpls.org/doing-business-here/incentives/>

Breakdown of Non-Residential Building Permit Value - City of Edmonton



Source: City of Edmonton

According to Jones Lang LaSalle, new construction completed in Quarter One 2024 will add inventory to the market, and it is expected that the space will be absorbed by a strong demand.⁵¹ Future industrial projects in Edmonton are seeing growth with new buildings being constructed in the Northwest and Southeast markets, with more than 1.5 million square feet.⁵²

W10. Stakeholders identified that the City’s industrial focus and target sectors are relatively unknown and not well communicated.

Stakeholders identified that Edmonton’s sector focus and value proposition is relatively unknown. While Edmonton has assets related to its strategic location, taxes, skilled growing population and proximity to natural resources, these assets are not presented in an organized way that demonstrates their collective value to potential investors. As such, it may be difficult for potential investors to understand the industrial focus for the City and which target sectors the city is pursuing for development.

W11. Stakeholders have advised that it is difficult to find information related to investment attraction, target sectors, and support.

While the City maintains information about its economic development assets, infrastructure, potential industrial development sites, and amenities, there is limited information that is readily available in one public location for potential investors to access. Challenges related to data access also involve understanding the City’s investment attraction strategy and the types of (current) incentives offered to support future development.

W12. Engagement has not occurred with Indigenous, ethnocultural and other equity deserving communities to reduce barriers to industrial investment and entrepreneurship.

Through consultation with the City’s Indigenous Relations Office and various sections within the City, it is clear that the City has not engaged substantially with these communities to determine the barriers that their members face. While stakeholders have noted that the City has goals and priorities associated with the

⁵¹ [Edmonton Industrial Insight Quarter One 2024 JLL](#)

⁵² [Edmonton Industrial Figures Quarter Three 2023 \(cbre.com\)](#)

inclusion of indigenous groups⁵³, GBA+⁵⁴, new immigrants and other ethnocultural communities, priorities need to be extended to support members of these communities wishing to invest and participate in future industrial development opportunities within the City. For instance, it was noted that new Edmontonians immigrating to the city have difficulty finding support or programs to assist in starting up industrial companies, pursuing industrial emerging technologies, navigating the investment landscape and the industrial land development process.

It was noted that the City does not have programs tailored for Indigenous or ethnocultural or other equity deserving community investors or a single point of contact with specific knowledge in industrial or economic development and investment that can support these communities. Stakeholders also noted their preference that the City share key incentives or funding opportunities available for marginalized communities.

W13. Engagement has not occurred with Indigenous Communities on the identification of culturally sensitive and significant areas in established or new non-residential areas of the city.

Consultation with the City's Indigenous Relations Office also pointed out that Indigenous and Metis communities have yet to be consulted to determine if there are culturally significant or sensitive areas within the existing industrial areas and newly annexed areas of the City. The City has several initiatives, programs and key policy directions in place that may help direct work in this area. Programs and plans include the City's Anti-Racism Strategy⁵⁵, the Anti Black Racism Action Plan⁵⁶, the Indigenous Framework and the Art of Inclusion⁵⁷.

W14. Edmonton's share of non-residential assessment in the region has substantially declined from 72 per cent of the region's base in 2008 to 60 per cent in 2022, which demonstrates that businesses are locating in the region, but not in the City. This declining share of non-residential tax base compromises the fiscal sustainability of the City and its ability to generate revenue.

Edmonton and its surrounding municipalities all benefit from the same labour force and have the same construction costs, provincial tax rates, and access to feedstock and post secondary institutions; however the surrounding municipalities offer lower property tax rates, development costs/standards and land costs. Because of these lower costs, businesses may choose to locate outside of Edmonton.

The City's share of non-residential tax base relative to the Edmonton region has undergone significant reductions, from 72 per cent of the region's base in 2008 to 60 per cent in 2022. A declining share of non-residential tax base compromises the City's ability to generate revenues.

In general, throughout most of Canada and the United States, the residential sector receives proportionately more benefit from municipal services than the non-residential sector; concurrently, the non-residential sector pays significantly higher taxes than the residential sector.

The City's expenditure budget grows in large part due to population growth pressures and residential development, which increases the tax levy. With low levels of real growth to the non-residential tax base, the growing tax levy is then apportioned to a relatively smaller non-residential tax base. This drives up Edmonton's non-res tax rates compared to rates observed in the region. In turn, this creates a non-residential tax rate differential that further pulls business development to the municipalities surrounding Edmonton. In 2010, Edmonton's non-residential tax rate was 1.5 times the average rate of surrounding municipalities; by 2022, Edmonton's rate was 2.3 times the average.⁵⁸

⁵³ [City of Edmonton Indigenous Framework](#)

⁵⁴ [City of Edmonton Gender based Analysis Plus](#)

⁵⁵ [City of Edmonton Anti-Racism Strategy](#)

⁵⁶ [City of Edmonton Anti-Black Racism Action Plan](#)

⁵⁷ [City of Edmonton Art of Inclusion](#)

⁵⁸ The average non-residential tax rate of surrounding municipalities is calculated as the average of all EMRB municipalities excluding Edmonton.

OPPORTUNITIES

Opportunities identify external factors that the City of Edmonton could leverage to its advantage. Opportunities have been identified by market trends, technological advancements, changes in consumer behavior or industry developments that offer options for growth and expansion.

01. Availability of Federal and Provincial industrial incentives and support programs.

Multiple Federal and Provincial tax incentive programs exist to support target sector specific investment attraction and these programs are available to investors and developers in Edmonton.

Examples of provincial incentive programs include the Alberta Carbon Capture Incentive Program⁵⁹, Alberta Petrochemicals Incentive Program⁶⁰, and the Alberta Innovation Employment Grant⁶¹.

Examples of available Federal Incentive Programs include the Canadian Scientific Research and Experimental Development Tax Incentive⁶² and the Canadian Strategic Innovation Fund⁶³.

02. Opportunities with the Edmonton Region Foreign Trade Zone.

The entire Edmonton Region is designated as a Foreign Trade Zone (FTZ)⁶⁴. An FTZ Point refers to one of Canada's strategic locations for international trade, where an organization with a mandate to promote local trade and foreign direct investment is supported by a single-point of access to information on relevant government policies and programs⁶⁵. In an FTZ, investors are eligible for duty and tax relief and value-added manufacturing to create Canadian-labeled products. By taking advantage of a suite of government programs, companies can improve their cash flow, reduce their operating expenses, and improve efficiency in getting their products to market.

03. Established sectors are expected to experience a positive medium and long-term economic outlooks in the following sectors: food processing, advanced manufacturing, transportation and logistics, energy and cleantech, AI and tech and health and life sciences.

The following sectors were chosen as target sectors based on the City's strategic priorities, existing presence, access to natural resources, access to labour and skills resources, the City's historic strengths and economic forecasts. Data from the Conference Board of Canada suggests that advanced manufacturing, food processing, energy and clean technology and transportation and logistics sectors, which saw moderate growth compared to other non-industrial sectors in 2023, are expected to outperform non-industrial sectors over the next four years. Growth across all sectors is projected to be low to moderate with no individual sector shown to significantly outperform others. The following table outlines the GDP growth rates for 2024 to 2027 by sector as well as existing sector presence in the City.⁶⁶

Target Sector	GDP Growth Rates	Sector Presence
Advanced Manufacturing	3.3%	Edmonton's Northwest industrial area is a hub for manufacturing. The presence of fully serviced and shovel-ready plots, coupled with diverse land availability, makes it an ideal location for advanced manufacturing facilities that may require both developed infrastructure and space for expansion. Advanced manufacturing includes companies producing biotechnology, nanotechnology,

⁵⁹ [Government of Alberta Carbon Capture Incentive Program](#)

⁶⁰ [Government of Alberta Petrochemicals Incentive Program](#)

⁶¹ [Government of Alberta Innovation Employment Grant](#)

⁶² [Government of Canada SR&ED\) tax incentive](#)

⁶³ [Government of Canada Strategic Innovation Fund](#)

⁶⁴ [Port Alberta](#)

⁶⁵ Government of Canada - [Foreign Trade Zone](#)

⁶⁶ [Conference Board of Canada, Major City Insights – Edmonton, November 2023](#)

		electrical components, and sensors and it may be possible to foster long-term growth.
Food Processing	3.3%	Edmonton's South industrial areas have diverse land availability, including medium-sized plots (0.5-2 hectares) and larger plots (greater than 10 hectares), providing flexibility for various scales of food processing and production facilities. Food processing is Alberta's largest manufacturing sector. Edmonton has some sizable and innovative food processing companies, is close to high-quality agricultural land, and has good transportation infrastructure to both national and international markets.
Energy and Clean Technology	3.3%	Edmonton is home to a number of energy and clean technology companies including Air Products' hydrogen production facility in the Aurum industrial business park. The City benefits from having large plots of land in Aurum and the Edmonton Energy and Technology Park (EETP) making it a potential candidate for the establishment of additional hydrogen and clean technology projects that often require expansive areas for research and development, and is also in close proximity to necessary petrochemical facilities.
Transportation and Logistics	3.1%	Both the Northwest and South industrial areas have significant presence in logistics. The Northwest offers diverse land availability, including larger plots suitable for expansive warehousing facilities. The South, with a mix of fully serviced and shovel-ready plots, is also well-suited for logistics development.
Artificial Intelligence and Technology	1.4%	The City has attracted a number of artificial Intelligence and Technology companies both in the City's downtown and the Edmonton Research Park. These companies are unlikely to situate in traditional industrial areas, instead opting for more commercial/office-oriented areas with easy access to highly skilled talent, transit, and other amenities.
Health and Life Sciences	1.4%	The South Industrial area has shown strength in life science. Its diverse land availability, including larger plots and the mix of fully serviced and shovel-ready plots, make it an attractive location for life science and biotechnology industries that may require both space and infrastructure support. Like Artificial Intelligence and Technology, these companies may opt to situate in more commercial/office-oriented areas with access to highly skilled latent, transit, and other amenities.

Source: Conference Board of Canada and Edmonton Business License Data

O4. Major investments in hydrogen and plastics production are likely to stimulate downstream industries such as manufacturing and logistics.

Edmonton and the Edmonton region have recently seen major investments in the hydrogen economy and plastics production (e.g., Air Products' Net-zero Hydrogen Energy Complex and Dow Chemical's Path2Zero project). These investments have the potential to stimulate downstream economies including the construction of supportive infrastructure such as hydrogen fueling stations, infrastructure to support the movement of raw materials needed in production as well as moving final products to market, and storage facilities as examples.

Major investments in hydrogen and plastics production may also stimulate the manufacturing of end products (packaging, construction, automotive, electronics) as well as research and development companies due to the availability of and proximity to the needed production inputs.⁶⁷

05. Edmonton is in close proximity to a number of natural resources within the petrochemical, net-zero hydrogen, and agricultural industries.

Edmonton is well-positioned geographically to support the growth and development of targeted industrial sectors given the close proximity of raw input materials, which may serve as a key consideration for companies wishing to establish a presence within Edmonton. Alberta possesses an abundant oil and gas reserve with a large low cost natural gas supply⁶⁸, creating a cost-advantage for the production of hydrogen⁶⁹. The Edmonton region is home to some of the richest soils and productive agricultural lands in Canada, positioning it to support food processing and value-added agricultural production.⁷⁰

06. A large portion of Edmonton's industrial areas offer a number of urban amenities not seen in many of the other regional industrial areas such as transit, and parks, as well the city offers a range of high density housing options including rentals, and a number of rec centres in close proximity. However, additional amenities need to be extended to all industrial areas of the city (including infrastructure (water, sanitary sewer, franchise utilities, roads, sidewalks, curb, gutter and storm drain) and transit).

Edmonton is a major city that offers amenities that are not available in its surrounding municipalities such as access to a comprehensive transit network⁷¹ and entertainment, recreational and lifestyle amenities. Where some industrial areas of Edmonton may not receive the same level of amenities or service as other areas, the proximity to such services is still considered a net benefit for future developers wishing to develop in these areas. As one of Canada's major cities, Edmonton has over 387,950 dwelling units representing 224,680 semi and single detached homes and 163,270 apartments/townhouses units.⁷²

Edmonton's City Plan provides a detailed account of transportation initiatives in progress, including the expansion of mass transit both city-wide and between districts. The recently completed Southeast Valley Line LRT serves a high-density transit corridor from the centre of the city into the more southern areas. The City Plan also calls for the development of mobility hubs, key junctions at these different modes of transit intersect. Although Edmonton has made significant investments into transportation and mobility infrastructure, transit service levels to industrial areas are typically lower than service levels in commercial and residential areas. Some of the Northwest Industrial and South Industrial edge areas have low transit connectivity while the Edmonton Energy and Technology Park and Crossroads areas have no transit connectivity.

07. The City of Edmonton has a number of existing partnerships and collaboration frameworks with regional municipalities, other orders of government, and economic development entities that can be used to attract industrial investment, share in the benefits of economic growth, and reduce interjurisdictional competition.

Collaboration: The City sees collaboration at the local, regional and global scale as foundational in advancing industrial attraction and growth to Edmonton. Collaboration allows for the sharing of ideas, pooling resources and reduction in competition where competition may be of a detriment. On the global stage, the

⁶⁷ Government of Alberta: [Alberta Hydrogen Roadmap](#)

⁶⁸ [Canada: Petrochemicals Industrial Profile](#)

⁶⁹ Government of Alberta: [Alberta Hydrogen Roadmap](#)

⁷⁰ EMRB: [Regional Agriculture Master Plan](#)

⁷¹ [ETS Maps, Routes and Schedules](#)

⁷² [Government of Alberta Regional Dashboard](#)

City is a member municipality of Edmonton Global and Alberta's Industrial Heartland Association - both organizations with a global influence in marketing and attracting investment to the city.

Regional Infrastructure Coordination: Through the Edmonton Metropolitan Region Board the City participates in a number of regional initiatives that advance collaborative planning for transportation and utilities which will aid in unlocking industrial lands.

Business Retention and Expansion: Given the significance of aftercare services in supporting businesses, stakeholders indicated there is a gap and a potential need to allocate additional resources to support the ongoing retention and support for industrial businesses working or expanding in Edmonton.

Collaborative Economic Development: The City is a leader in initiating and supporting new, innovative approaches to economic development in the Edmonton Region. The City was a founding member of Collaborative Economic Development (CED). CED is a new approach to traditional economic development willing municipal and indigenous partners to focus on reducing regional competition between jurisdictions to advance "borderless economic growth". CED is all about attracting large investments to our region by jointly partnering to improve the attractiveness of non-residential land and subsequently sharing in the financial benefits that are generated over a predetermined time horizon.⁷³

O8. Ability to streamline the development process and apply these best practices to industrial development processes.

Over the last five years, the City of Edmonton's Development Services branch, has been working to simplify development regulations, creating more certainty for both applicants and the community around what can be built. Examples of this work are included below and illustrate tools the City could leverage and apply to streamline the industrial development process.

Zoning Bylaw: The City's new Zoning Bylaw 20001 streamlines development requirements and processes by combining a number of zones and moving away from having discretionary uses, helping to make the speed of obtaining a permit easier and faster.⁷⁴

Development Process: Edmonton publishes target processing time and actual processing times within the last 3 months for building and trade permits.

⁷³ [Collaborative Economic Development](#)

⁷⁴ [Edmonton Zoning Bylaw Renewal](#)

THREATS

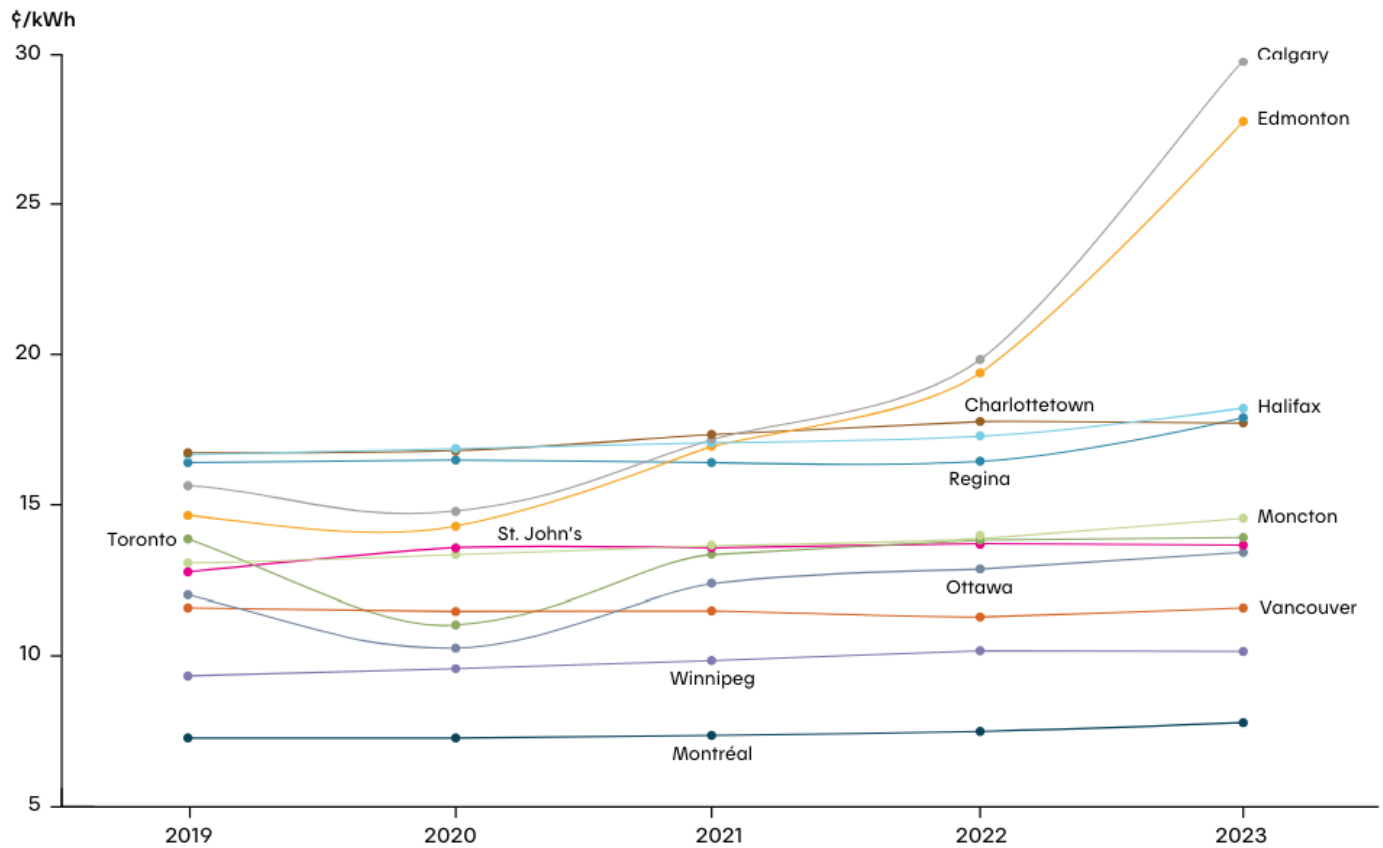
Threats identify external factors that pose risks or challenges to the City of Edmonton. These include competitive pressures, economic downturns, regulatory changes, shifts in consumer preferences or disruptions to supply chains that could jeopardize viability or sustainability.

T1. The City is currently disadvantaged nationally on higher utility costs driven by the Province's dependency on natural gas for electricity generation.

Recent data shows that both Calgary and Edmonton have the highest average electricity prices for large usage power customers in comparison to other large cities across Canada⁷⁵, at 23.77 cents/kWh and 25.62 cents/kWh, respectively, followed by the third highest of Halifax at 12.13 cents/kWh.

MAJOR CANADIAN CITIES

OVERVIEW OF CHANGES IN AVERAGE PRICES FOR RESIDENTIAL CUSTOMERS (IN ¢/kWh) – 2019–2023^{1, 2, 3, 4}



Source: Hydro Quebec: 2023 Comparison of Electricity Prices in Major North American Cities

Edmonton is still heavily dependent on coal and natural gas as sources of power generation, which are more costly and less environmentally competitive than other renewable energy sources such as hydro. According to the Alberta Electric System Operator (AESO), in 2023 about 57% of electricity in Alberta was produced from natural gas, 22% from wind, and the remaining 21% came from solar (8%), coal (6%), hydro (4%), and other (3%)⁷⁶.

⁷⁵ Hydro Quebec: [2023 Comparison of Electricity Prices in Major North American Cities](#)

⁷⁶ Alberta Electric System Operator (AESO) - [Understanding Electricity in Alberta](#)

Comparatively, other hydro-intensive Canadian jurisdictions provide more cost-competitive utility prices. As noted previously under Alberta's climate change legislation, emissions from coal-fired generation will be phased out in the province by 2030. However, power generators in Alberta (including Capital Power, Heartland Generation, and TransAlta) have decided to advance plans for coal-to-gas conversions with all coal-fired facilities expected to switch by 2024.⁷⁷

A comparative analysis of national gas prices between provinces is limited by differential structures in the way natural gas is delivered across Canada. Investment decisions are typically made on a site-by-site basis and are influenced by resource prices, distribution costs, and fees charged by distributors.

In Edmonton, ATCO is the exclusive distributor of natural gas, and a franchise fee is charged by the municipality to allow the provider to operate within city limits. This franchise fee varies by municipality and given that this fee likely flows through to customers, contributing to price competitiveness.

Comparing franchise fees between municipalities shows that Edmonton charges the highest fee in Alberta, of 35 per cent.⁷⁸ This is over triple the franchise fee charged in the City of Calgary. Edmonton's neighbouring municipalities, such as Fort Saskatchewan, do not charge an ATCO franchise fee.

T2. Negative perception of industrial development by some environmental groups and citizens.

Stakeholders have identified that there is a need to change "old and outdated" notions of the industrial sector where the perception of industry is typically that it creates pollution and waste, when in reality there are a number of environmental and climate-resilient practices. There is a suggestion to incorporate information on carbon capture technologies, and the City should explore efforts to address environmental and climate challenges (such as encouraging LEED certified buildings) and attracting jobs to Edmonton that are in line with environmental, social and governance (ESG) principles.

T3. Roles and responsibilities for industrial investment attraction and growth are not well-defined.

Stakeholders identified that the roles and responsibilities around "who leads" industrial investment attraction and growth activities in the City are not well defined between the City, Edmonton Global and Alberta's Industrial Heartland Association. While the funding agreements identify roles and responsibilities, it would be valuable to further clarify the details for investor certainty.

T4. Directly adjacent areas in neighbouring municipalities have less complex permitting, and well defined sector focuses.

The City of Edmonton is surrounded by several adjacent municipalities, which contain large regional industrial parks. Through initial engagement with industry stakeholders it was noted that the City generally has more complex permitting processes than surrounding municipalities, which can impact approval timelines. Due to comparatively lower land values, lower tax rates, incentives and quicker permitting timelines, the City faces competition from these regional industrial parks in the following sectors:

- Transportation and Logistics due to strategic positioning and proximity to Edmonton as well as major air, rail, and road networks.
- Oil and Gas, construction and metal fabrication industries due to growing regional supply of skilled labour (specifically, trades and journeypersons).

⁷⁷ Canada Energy Regulator - [Provincial and Territorial Energy Profiles – Alberta](#)

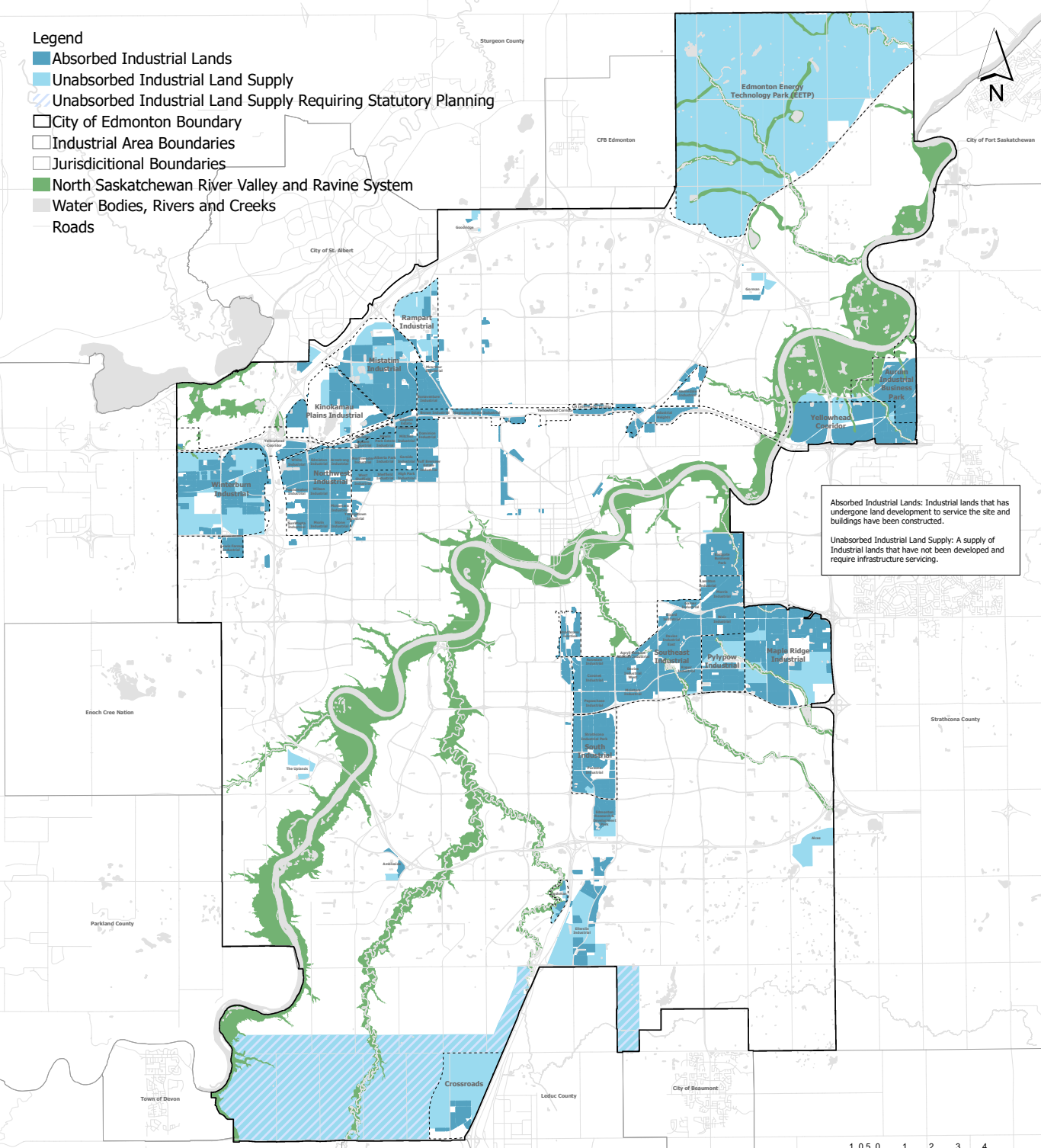
⁷⁸ [Natural Gas and Electricity Access Fees in Alberta](#)

Industrial Investment Action Plan 2024

Attachment 7 Map: Industrial Land Absorption

Legend

- Absorbed Industrial Lands
- Unabsorbed Industrial Land Supply
- Unabsorbed Industrial Land Supply Requiring Statutory Planning
- City of Edmonton Boundary
- Industrial Area Boundaries
- Jurisdictional Boundaries
- North Saskatchewan River Valley and Ravine System
- Water Bodies, Rivers and Creeks
- Roads



Absorbed Industrial Lands: Industrial lands that has undergone land development to service the site and buildings have been constructed.

Unabsorbed Industrial Land Supply: A supply of Industrial lands that have not been developed and require infrastructure servicing.

