

## INDUSTRIAL INVESTMENT ACTION PLAN 2025 UPDATE

### Recommendation

That the June 18, 2025, Urban Planning and Economy report UPE02544, be received for information.

Requested Action		Information only	
ConnectEdmonton’s Guiding Principle		ConnectEdmonton Strategic Goals	
CONNECTED This unifies our work to achieve our strategic goals.		Regional Prosperity	
City Plan Values	THRIVE.		
City Plan Big City Move(s)	Catalyze and converge	Relationship to Council’s Strategic Priorities	Economic Growth
Corporate Business Plan	Transforming for the future		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"><li>● Collaborative Economic Development</li><li>● Industrial Investment Action Plan</li><li>● Economic Action Plan</li></ul>		
Related Council Discussions	<ul style="list-style-type: none"><li>● June 19, 2024, Urban Planning and Economy report UPE01548, Industrial Action Plan - 2024 Update.</li><li>● April 8, 2025, Urban Planning and Economy report UPE02791, Collaborative Economic Development Memorandum of Understanding.</li><li>● May 21, 2025, Urban Planning and Economy report UPE02793, Regional Update.</li><li>● June 9, 2025, Charter Bylaw 21164 - Omnibus text and map amendments to the District Policy and six district plans.</li></ul>		

### Previous Council/Committee Action

At the June 19, 2024, Executive Committee meeting, the following motion was passed:

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That Administration provide a report that includes an update on the Industrial Investment Action Plan, including what steps have been taken to progress key levers and return to Executive Committee.

### Executive Summary

- Industrial investment and growth are key to the City's fiscal sustainability, maintaining core services and advancing key priorities. The Industrial Investment Action Plan (IIAP)'s nine actions and 28 sub-actions is the City's industrial investment strategy designed to increase industrial development in Edmonton. This report provides an update on the progress made on the IIAP since its adoption in 2024.
- In June 2024, Executive Committee and the development community indicated that Administration should prioritize actions 2, 3 and 9, with a focus on getting more lands shovel-ready<sup>1</sup>. Administration immediately began work on eight sub-actions that could be advanced without additional resources. As part of the 2024 Fall Supplemental Operating Budget Adjustment, Administration advanced an unfunded service package to support the creation of an Industrial Growth Hub. The request was approved and operations commenced at the beginning of 2025.
- A June 2025 IIAP Progress Report has been completed and included as Attachment 1. Two sub-actions have been completed and demonstrable progress has been made on five of the 28 sub-actions in the IIAP. IIAP Progress Reports will be produced annually and published on edmonton.ca to share updates on IIAP implementation, investment attraction and industrial growth.
- Administration will continue to advance eight sub-actions, start work on three new sub-actions and if directed, will prepare two funding requests for Council's consideration to encourage growth of the city's industrial tax base:
  1. An early list of potential sites suitable for public or private investment to enhance the sites to a shovel-ready state.
  2. An incentive fund for major industrial developments, which will allow Administration to quickly respond to emerging requests to incentivize business investment or expansion that is strategically aligned with the priority sectors in the IIAP.
- Additional staff or budget has not been identified to date to implement next steps in 2025 and IIAP implementation can be delivered using existing resources.

### REPORT

Industrial investment is essential for Edmonton to maintain fiscal sustainability, core services and achieve key priorities to be a healthy, urban and climate-resilient city within a prosperous region. The 2024 IIAP provides a strategic framework to attract investment, create jobs, stimulate economic growth and diversification, and expand Edmonton's industrial tax base over a ten year

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<sup>1</sup> 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, provincial and federal regulations and prepared for the quick start of construction.

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period. Developed with industry and community partners, the plan's nine<sup>2</sup> actions and 28 sub-actions aim to address opportunities and challenges, such as fostering a competitive tax environment, leveraging logistical and transportation advantages and ensuring sufficient supply of shovel-ready land. These actions will attract and retain businesses that can benefit from Edmonton's skilled workforce, diverse transportation options, cold climate, access to renewable energy sources and carbon capture utilization and storage (CCUS) infrastructure. The IIAP focuses on industrial development that generates a return on investment for the City, defined as a comparison of the total costs borne by the City to the direct tax uplift generated by the investment.

On June 19, 2024, Executive Committee and the development community guided Administration to focus on getting more land shovel-ready in each industrial sector and to prioritize actions 2, 3 and 9. Administration committed to bringing back a priority list of items that the City could invest in, with their associated costs and estimated return on investment. Committee also directed that Administration bring forward an unfunded service package for consideration to advance delivery of key IIAP metrics and deliverables over three years.

In response to Committee direction, starting June 2024, Administration developed an implementation plan and began work on eight sub-actions identified in Urban Planning and Economy report UPE01548, Industrial Investment Action Plan - 2024 Update. This highlighted the need for a centralized service window for industrial businesses and potential investors. Administration advanced an unfunded service package to the Fall 2024 Supplemental Operating Budget Adjustment to support IIAP implementation and the Industrial Growth Hub creation. The service package was funded and operations began at the beginning of 2025, with full launch expected mid-year.

The Industrial Growth Hub's purpose is to promote Edmonton's industrial economic advantages, support current industrial businesses and streamline industrial development processes. Its goal is to enhance awareness of programs and services and provide comprehensive support for all industrial activities. It will also showcase the unique and innovative industrial businesses that contribute to Edmonton's economy.

Based on external partner feedback, Administration's focus has been on implementing Actions 2, 3 and 9, with a focus on initiatives that improve the interface between industry and the City, thereby making it easier to do business. The June 2025 IIAP Progress Report (Attachment 1) details the progress on eight sub-actions: two have been completed and five have shown demonstrable progress. This was achieved through collaboration with internal subject matter experts and engagement with internal and external partners. Administration will continue to involve industry and community partners throughout implementation.

Work completed under these sub-actions was foundational to the City's industrial strategy. Significant progress has been made towards increased accessibility of information for current and prospective industrial businesses; identification and prioritization of areas within the city suitable for the development of shovel-ready industrial land; increased city competitiveness

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<sup>2</sup> [https://www.edmonton.ca/business\\_economy/economic\\_investment/industrial-investment-action-plan](https://www.edmonton.ca/business_economy/economic_investment/industrial-investment-action-plan). City of Edmonton. Cited April 15, 2025.

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through reduction of permit processing time; creation of a new interjurisdictional collaboration tool with the goal of generating new revenue; analysis of competing regions' incentives and creation of meaningful key performance measures, to evaluate the IIAP's cost and the outputs. IIAP Progress Reports will be produced annually and published on edmonton.ca to share updates on IIAP implementation, investment attraction and industrial growth.

In fall 2024, Administration examined Edmonton's historical industrial investment activity; the analysis showed growth in industrial land development and industrial tax assessment over the past 10 years and confirmed the need for increased industrial land supply. Further analysis on regional industrial development is underway, with an update to be shared with Council later in June.

### Incentives and Programs

Identifying and tailoring financial and non-financial incentives or programs that appeal to target sector investors and help the City be more competitive with comparable jurisdictions is included under Action 8 of the IIAP.

Although the development of specific incentives or programs was not one of the actions identified to implement immediately using existing resources, it is acknowledged that interest in advancing this action has grown since last June. Since then, there have been requests to explore incentives such as the 2024 Fall Supplemental Operating Budget Adjustment unfunded service package for the Industrial Development Growth Fund or Financial and Corporate Services report FCS02942, Air Products Franchise Fee Considerations, brought forward to Utility Committee on March 14, 2025. The work completed as part of this progress report has laid the foundation and provides input to begin moving forward on implementing Action 8.

Three key issues continue to emerge for Edmonton related to industrial development: 1) lack of shovel ready land, 2) rate of industrial growth and 3) competitiveness. It is anticipated that the work on incentives that will commence in fall 2025 will focus on addressing these three issues directly. It will include analyzing the impact of incentives or programs on the City, existing businesses, investment attraction, community well-being and environmental sustainability.

### Budget/Financial Implications

Additional resources are not required to continue to implement and commence the IIAP sub-actions listed under next steps.

Resources are required to develop shovel-ready lands and attract investment more quickly through targeted incentives. If directed by Council, Administration will bring forward the following funding requests for consideration among other corporate priorities during the 2027-2030 Budget process:

- Funding to support the development of potential sites suitable for public or private investment, including associated costs and estimated return on investment.
- An incentive fund for major industrial projects, allowing Administration to respond quickly to requests for business investment or expansion incentives.

### Community Insight

To coordinate implementation activities, monthly meetings with the Commercial Real Estate Development Association (NAIOP) and several industrial developers have been ongoing since June 2024.

In April 2025, Administration formed an IIAP Industry Implementation Partners Group to gather external feedback and input for IIAP implementation. The first meeting on April 3 included representatives from industry, including Métis Nation of Alberta, EPCOR, ATCO, BILD-Edmonton Metro, Building Owner and Managers Association (BOMA), NAIOP, Alberta's Industrial Heartland Association (AIHA), Edmonton Chamber of Commerce, MacEwan University, Northwest Industrial Business Association and industrial land developers. This implementation partners group will be engaged regularly, with smaller engagement groups created on an as needed basis. The first of these smaller group engagements was held on April 8; feedback on sub-actions 2.1 and 9.1 was positive. Implementation partners provided valuable input and identified key areas where the City should focus its efforts (Attachment 2).

Work to develop shared understanding and identify opportunities for partnerships is ongoing. A second engagement session is planned for late May; if these organizations are unavailable, one on one sessions will be planned.

### GBA+

Administration used GBA+ in the development of the 2024 IIAP to account for inequities that some Edmontonians face when accessing opportunities to prosper. This equity lens resulted in equity considerations being directly incorporated into the IIAP actions as well as two dedicated actions to directly address this concern: Actions 5 and 6. Scheduling priority has been given to the development of Actions 2, 3, 7 and 9 but project management and research has been completed to commence Actions 5 and 6 later in 2025.

### Environment and Climate Review

The 2024 IIAP integrates measures to advance sustainable growth of the city's industrial sector, recognizing the interconnectedness of economic prosperity and environmental sustainability. Sub-action 2.3 now addresses potential environmental risks of industrial land development by integrating climate and environmental considerations, including traditional ecological knowledge where appropriate, into Area Structure Plans. This aims to manage impacts on the City's carbon budget and biodiversity through land-use planning that incorporates consideration of natural areas providing financial benefit and ecological value within industrial zones. Additionally, this planning will promote the sustainable utilization of essential resources like water and the efficient use of energy. Efforts within Sub-action 2.3 to embed climate and environmental considerations in industrial land-use planning align with and can support the broader coordinated approach to growth and development being undertaken through the Climate Resilience Planning and Development Action Plan.

Beyond managing risks associated with industrial land development, the transition towards a more sustainable economy presents significant opportunities for Edmonton's industrial future. To

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capitalize on these emerging possibilities, Sub-action 8.1 includes exploring options to incentivize industrial growth in ways that strategically align with and support the City's climate goals. While exploring incentive programs, the potential for unintended consequences that could affect the City's broader environmental objectives and sustainability goals may be a consideration. In addition to the actions outlined in the IIAP, continued efforts to promote and facilitate access to lower-carbon energy sources will be important, especially for high energy use industries.

### Next Steps

As outlined in Attachment 1 - June 2025 IIAP Progress Report, a significant amount of foundational work required for the full implementation of the IIAP is now complete. It is important to acknowledge that while work has been completed, the benefits will be realized gradually over time.

Administration has identified the following IIAP sub-actions to continue or begin in 2025 without additional resources.

- Sub-action 1.1 - Continue gap analysis of Edmonton target sectors to identify sector needs. Based on the website strategy, sector needs assessment and business goals, update relevant websites with key information to inform investment or expansion decisions (including available programs and incentives). *(continuation)*
- Sub-action 1.2 - Develop and implement a sector-specific marketing strategy to attract industrial investment. *(continuation)*
- Sub-action 2.2 - Continue to advance a shovel-ready land supply forecast (three, five, 10, 15+ years) by establishing a vacant land inventory data set and determining development timelines with the development community. *(continuation)*
- Sub-action 2.3 - Continue collaboration with internal and external partners to identify changes to statutory plans (including climate and environmental considerations), introduce new statutory plans and prioritize infrastructure and services, such as transit, needed to support growth. *(continuation)*
- Sub-action 3.1 - Continue to streamline approval processes to provide predictable, transparent and competitive timelines for industrial investment. The team has initiated potential service improvements to enhance permitting and licensing and reduce barriers to investment through land use policy changes. *(continuation)*
- Sub-action 3.2 - Collaborate with organizations in Edmonton's industrial ecosystem to increase business expansion, retention and identify investment opportunities. *(new)*
- Sub-action 3.4 - Identify key contacts that can support indigenous community members to navigate the industrial investment and development landscape. *(new)*
- Sub-action 5.2 - Work with Aksis and other agencies to support Indigenous industrial startups, new industrial investors and Indigenous land developers. *(continuation)*
- Sub-action 8.1 - 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. *(continuation)*

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- Sub-action 8.2 - For target sectors that value additional amenities, identify non-financial incentives, such as transit and permit support. *(new)*
- Sub-action 9.1 - Establish targets, conduct an assessment and monitor the progress and results of the IIAP. 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. *(continuation)*

## Attachments

1. Industrial Investment Action Plan Progress Report 2025
2. What We Heard Report - Implementation Partners Engagement - April 2025