City of Red Deer
Economic Development Strategy
July 2013

THE CITY OF
Red Deer

VRBANICS

Economic Development Strategy

Prepared for:

The City of Red Deer

July 2013

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Cover Image Credit: MVH Urban Planning and Design, Inc.

Executive Summary

Economic development involves enhancing the general population's quality of life and socio-economic conditions. Also, it endeavours to create more sustainable long-term economic opportunities by creating conditions necessary for economic growth, such as more educated workforce and through adequate development capacity. Economic development initiatives leverage and enhance a community's assets (people, land, capital, and resources), relationships and opportunities while reducing the barriers that might inhibit it. Combined with the goals of Red Deer's Economy Charter and those of The City of Red Deer, this definition of economic development forms the underpinnings for this study.

Approach

Using The City of Red Deer's Economic Development Strategy Framework, this study first considered the City's overall objectives. Next, a wealth of information was collected from the Advisory Committee, published data sources, and primary research including the results from surveys and focus groups. This information coalesced into six main focus areas including; Red Deer's strategic position, economic diversification, land use, labour availability, small business support and the revitalization of downtown. The facts and insights gained were then used to inform a series of strategies which were designed to advance the City toward meeting the desired outcomes of each focus area. Each strategy suggests a course of action outlines performance metrics and names potential strategic partners with whom the City might wish to collaborate.

Findings

Red Deer has grown considerably over the past 15 years and is expected to keep doing so. The population has grown from about 68,000 in 2001 to 90,500 in 2011 to a projected 175,000 by 2041 and with that growth comes opportunities and challenges. For example, population growth creates added demand for housing and retail space. Over the next ten years, Red Deer will need about 1,140 units of housing built annually though since 2008 the actual rate has been about half of that figure. Red Deer could also support an additional 149,000 square feet of new retail space every year, as it serves not just the city's residents but draws customers from a wide geographic area. As is the case with most cities in North America, Red Deer will observe a slight greying of its population as the Baby Boom generation gets older, increasing the median age and adding another 23,000 seniors by 2041.

An increasing population also means an increasing workforce, which is projected to grow from roughly 55,000 workers in 2011 to nearly double that by 2041. Red Deer has a significantly larger workforce than its neighbours along the Red Deer Corridor. How those workers are distributed across industries is of vital concern to Red Deer as its economy is weighted toward extraction industries such as mining and oil and gas; the fraction of Red Deer's workforce employed in these industries is even higher than the average for the Province of Alberta. This means that shocks to those industries will impact Red Deer harder than the province itself, thus driving the need for greater economic diversity. Given its advantageous location, Red Deer might be strongly positioned for growth in the logistics and agribusiness industries.

With the highest number of small businesses per capita in the nation, Red Deer has an entrepreneurial spirit that can help create the economic diversity the city needs. A challenge, however, lies in finding appropriately skilled labour to fill the roles created by local industry as mentioned by focus group participants. Options include training (and retraining) the existing workforce to better meet the needs of local business as well as attracting workers from elsewhere. The latter includes making Red Deer's advantages and character more widely known while the former includes engaging the business and educational communities to make the most of local resources.

Desired Outcomes and Strategies

Based upon the findings from primary research and data analysis, the desired outcomes were articulated for each focus area. Pursuant to those outcomes are over thirty strategies that will help move the city in the direction its residents want. Many strategies utilize the input and involvement from partner organizations spanning the public and private sectors. The outcomes and strategies designed to drive toward them, are summarized below.

Strategic Positioning

Red Deer will fully capitalize on its unique competitive advantages, especially its central location along the Red Deer Corridor. Red Deer will have a nationally-known identity, independent from those of Calgary and Edmonton, and assert its own brand. Red Deer will be known for who it is and what it can do. The City and its strategic partners should:

- Capitalize on Red Deer's centralized location.
- Continue to develop a Red Deer identity and brand.
- Maximize the benefits from the Red Deer Airport (YQF).

Economic Diversification

Red Deer will have a rich and broadly diversified economy insulated from the booms and busts of the Albertan extraction industries. Red Deer will be known for its innovation-led small business economy as well as its ideal location for headquarters relocation. These successes will flow from the environment set up by the City to foster sustainable economic growth. The City and its strategic partners should:

- Promote growth of creativity and knowledge-based businesses.
- Unlock the full potential of road, rail and air transportation networks.
- Attract corporate head offices.
- Build on existing strengths within the oil and gas sector.
- Promote "green" technology companies.
- Promote and expand agribusiness.

Land Use

Red Deer will be well-regarded for its intelligent and conscientious approach to land use. Red Deer will be a vibrant, walkable, safe and fun city year-round. The City will provide land for new development as the economy needs it, with special attention paid to revitalizing the downtown core and supporting Red Deer industry. Red Deer will have a diverse, high-quality and affordable housing stock, appealing office space, plentiful shopping and sufficient industrial space, all while avoiding sprawl. Red Deer will set the standard for brownfield redevelopment and its Riverlands and Railyards districts will be exemplars of adaptive reuse. Other cities will continue to develop land banking strategies based on the Red Deer model. The City and its strategic partners should:

- Continue to monitor demand for commercial space and industrial land.
- Ensure new housing is aligned with vision and guiding principles.
- Continue exploring retail redevelopment options for Gaetz Avenue, especially downtown.
- Continue to support the Historic Downtown as the city's primary office location.
- Continue to ensure sufficient supply of serviced industrial land.
- Promote greater housing stock diversity of housing.
- Leverage brownfields for higher-density infill developments.

Labour and Education

Red Deer has an effective and nimble workforce with a level of training perfectly suited to the demands of industry. The city does not need to be as reliant upon immigrant labor as it is able to train, retrain and retain its local workforce. Young residents see a future for themselves in Red Deer, so they finish high school and attend Red Deer College (or Red Deer University) or they enroll in one of the many skills training and apprenticeship programs that are available. The City and its strategic partners should:

- Promote efforts to train and retrain the local workforce.
- Support efforts to increase the high school completion rate.
- Attract immigrant entrepreneurs to Red Deer.
- Attract more workers to Red Deer.

Small Businesses

Central to its rich and broadly diverse economy is Red Deer's small business ecosystem; not only does Red Deer have tremendous depth to its small business community, but the City also fosters an environment where people with great ideas can easily get the advice and funding they need to bring those ideas to fruition. Small businesses are assisted throughout their entire lifecycle: from incubator services for fledgling start-ups to succession services for retiring entrepreneurs. Immigrants, instead of being needed to fill labour shortages are instead free to launch their own businesses in Red Deer, helping to grow the local economy even further. The City and its strategic partners should:

- Develop or support small-business mentoring and advisory services
- Develop succession planning services for retiring business owners
- Streamline process to establish businesses.
- Identify and promote most effective job creators (the "gazelles")
- Support business incubator spaces and mentoring for startups
- Work to develop financing options for new businesses.
- Explore feasibility of deferring fee and utility payments for start-ups

Downtown Revitalization

Red Deer will have a vibrant downtown that is active day and night, all year long. Downtown will continue to be home to most of Red Deer's office space, but also to an increasing number of residents and homeowners, ranging from single university students to families to empty-nesters. The streets will be alive with activities, cafes, shopping and people just getting together. Historic

Downtown will be a point of pride as century-old heritage blends seamlessly into the modern era. The Greater Downtown Action Plan will be carried out and the prime riverfront properties will be bustling with people and activity, connecting the river to the Historic Downtown and helping to drive economic activity for the entire city. The City and its strategic partners should:

- Create higher-density development Downtown.
- Create more rental apartments in the Greater Downtown area.
- Make downtown a year-round destination.
- Reduce crime downtown.
- Capitalize on the Historic Downtown built environment.
- Consult with the Donald School of Business.
- Assess needs for public services for growing populations.

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1   Introduction

Urbanics Consultants Ltd was retained by The City of Red Deer to develop economic development strategies and performance measures. Economic development is a much broader concept than economic growth, which is primarily involved with improving the real output of a region (i.e. GDP). Economic development involves enhancing the general population's quality of life and socio-economic condition. Also, it endeavours to create more sustainable long-term economic opportunities by creating conditions necessary for economic growth, such as more educated workforce and through adequate development capacity.

This study has greatly benefitted from the participation of the Advisory Committee, members from the community and the City staff and Council. It represents a range of perspectives and interests in the community and presents a balanced, inclusive, complete, and sustainable approach to economic development. The primary objective of the study is to improve the standard of living and the long term economic viability of the city. These economic development strategies involve a series of qualitative and quantitative actions on the part of The City, including actions related to economic diversification, small businesses, human resources, regional competitiveness, safety, education and other initiatives. For example a city with inadequate industrial land capacity will lead to stifling growth in the manufacturing sector.

This study remains consistent with the Economy Charter (Strategic Direction 2012-2014) and aims to achieve the following:
- Shift primary economic development focus to within the city of Red Deer
- Greater economic diversification
- Enhance local business and job opportunities
- More efficient use of land and enhance the   assessment base of the city
- Pedestrian friendly and safer downtown
- Promote reuse of brownfield & vacant lands

In addition to the above-mentioned objectives of the Economy Charter, the study aims to identify a wide range of opportunities for creating employment and investments. It will also assess the city's strengths and weaknesses regarding future business developments and identify the sectors with the greatest opportunities and threats in terms of development and employment. This will form the basis for the creation of strategies and implementation plan for improving the local economy as well as the general population's quality of life.

1.1 Methodology

The study follows the Economic Development Strategy Framework used by The City of Red Deer's Land and Economic Development Department. It flows logically from the City's overarching goals and charters. Information was gathered and the findings were organized into focus areas. This, in turn, led to the development and implementation of specific strategies. A diagram summarizing our overall approach can be found on the next page.

Fundamentals

The study and its strategies ultimately flow from three fundamentals:

Main Purpose – The overarching goal is a Red Deer that is: a sustainable, safe and thriving community where residents enjoy a high quality of life; a city where residents have a sense of civic pride and community ownership; a city that meets its community planning and development needs without compromising the future.

Economy Charter – Red Deer's economic development activity diversifies and stabilizes the city's economy, increases local business activity and job opportunities, utilizes land and property to their potential, and has resulted in the use of land that appropriately reflects the city's identity and values while benefitting the city's taxpayers, community groups and business owners.

Economic Development – Economic development involves enhancing the general population's quality of life and socio-economic conditions. Also, it endeavours to create more sustainable long-term economic opportunities by creating conditions necessary for economic growth, such as more educated workforce and through adequate development capacity. Economic development initiatives leverage and enhance a community's assets (people, land, capital, and resources), relationships and opportunities while reducing the barriers that might inhibit it.

Information Gathering

In addition to feedback from the Advisory Committee, this study relied upon the information gathered from published data sources as well as our own primary research. Public information included data from all levels of government, publications by trade organizations, analyst reports, City of Red Deer staff and many others. We also used two methods of generating primary data: surveys and focus groups. Over 400 Red Deer area businesses were contacted for the survey. We received 102 completed surveys from within the city of Red Deer, representing a variety of goods and service producing economic sectors.
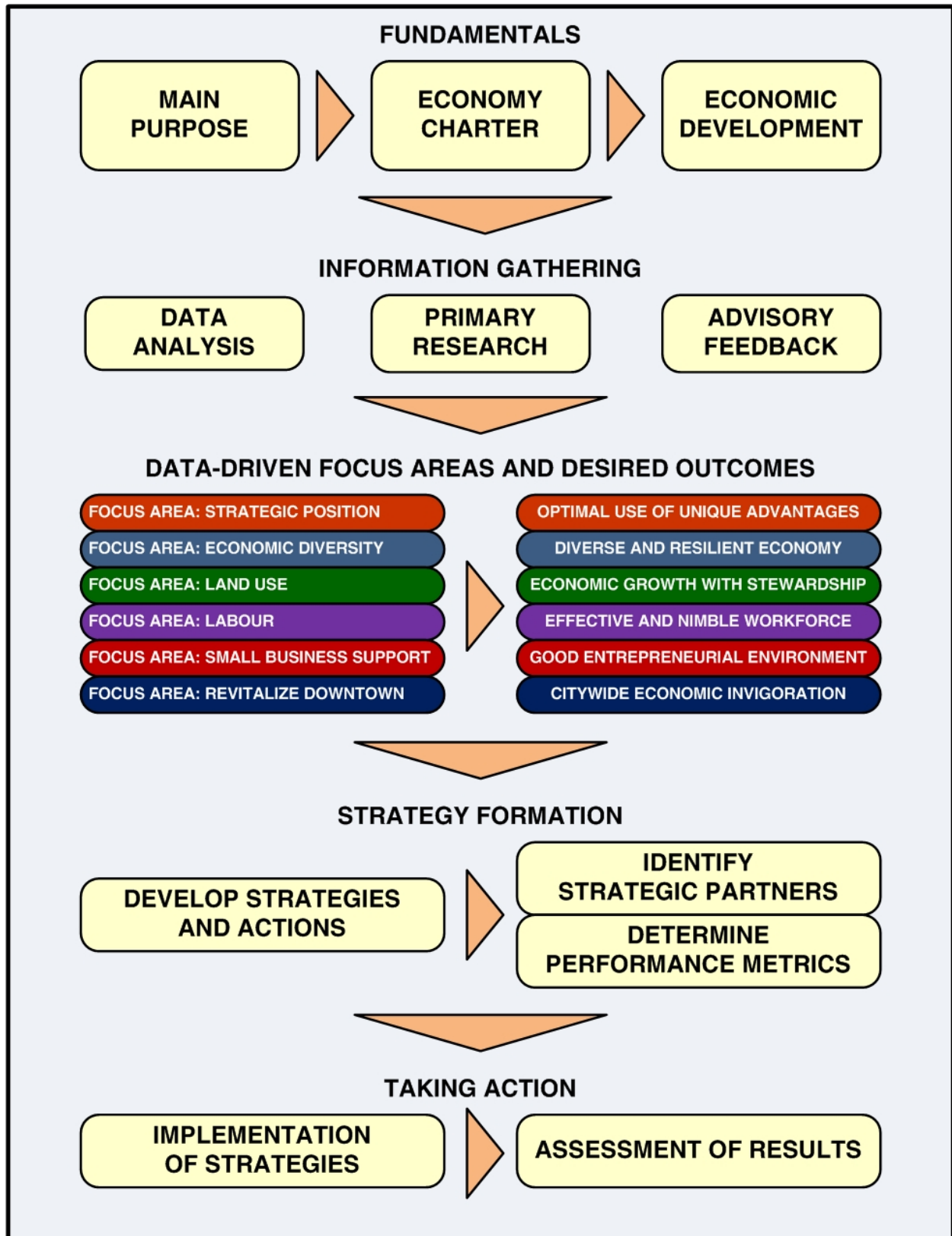
Figure 1: Economic Development Strategy Framework
Sources: City of Red Deer; Urbanics Consultants

Focus Areas and Desired Outcomes

The gathered information covered a broad range of topics, and in order to develop a series of actionable strategies, needed to be organized into themes or focus areas. The six distinct but still related focus areas discussed here are: Red Deer's strategic positioning, economic diversification, land use, labour, support for small business and the revitalization of downtown. Once the focus areas were identified, desired outcomes for each could be articulated.

Strategy Formation

Individual strategies and action items were then derived from the outcomes desired. In most cases maximizing the success and benefits of each strategy involves leveraging internal City resources as well as forging external partnerships with the business and educational communities. Objective methods of evaluation must also be defined.

Taking Action

Lastly, the City will need to begin to implement strategies, assessing the results along the way.

1.2 Structure of this Study

The study includes the following five components:

1. Introduction: This section introduces the Economic Development Strategy Framework used to create the study.
2. SWOT Analysis: The SWOT analysis serves as a convenient summary of findings from both our analysis of data as well as insights gained from our primary research.
3. Key Findings and Focus Areas: This section summarizes the insights gained from analyzing data from public sources as well speaking with and tabulating surveys from members of the Red Deer business community. Findings were organized into six major focus areas. They and the outcomes desired are described in this section.
4. Strategies: For each focus area we explore several strategies Red Deer might engage to help drive toward the outcomes it seeks. Each strategy includes a basic outline for implementation, metrics to be used for evaluation as well as internal and external partners the City may wish to tap for assistance and guidance. Estimated timelines and costs are also included.
5. Appendices: The final component is a collection of the analyses performed. It includes an economic base analysis, population forecasts, employment projections, key Red Deer industries, lists of definitions and concepts as well as the tabulated results from our surveys and focus groups.

2   SWOT Analysis

We will use the familiar SWOT Analysis format to summarize our key findings and set the stage for the discussion of specific focus areas and our suggested strategies for approaching them.

2.1 Strengths

Strengths are characteristics of Red Deer that gives it an advantage over others. Overall, Red Deer is a good place to both live and work. Some of Red Deer's key strengths include:

2.1.1   Good Quality of life

When asked to rate how well Red Deer measures on a variety of Quality of Life metrics, respondents gave the city good marks. Over 80% of respondents felt Red Deer offered good or excellent service in public schools, vocational schools, police and fire services and city amenities such as parks and libraries. In fact, over 50% of those surveyed rated city amenities as excellent. Though a majority felt that the quality and affordability of local housing was good, nearly 25% rated the city poorly. A similar result was observed when respondents rated the quality of local streets, in which over 30% felt the quality was poor or very poor. These results are shown below while a complete summary may be found in the Appendices.
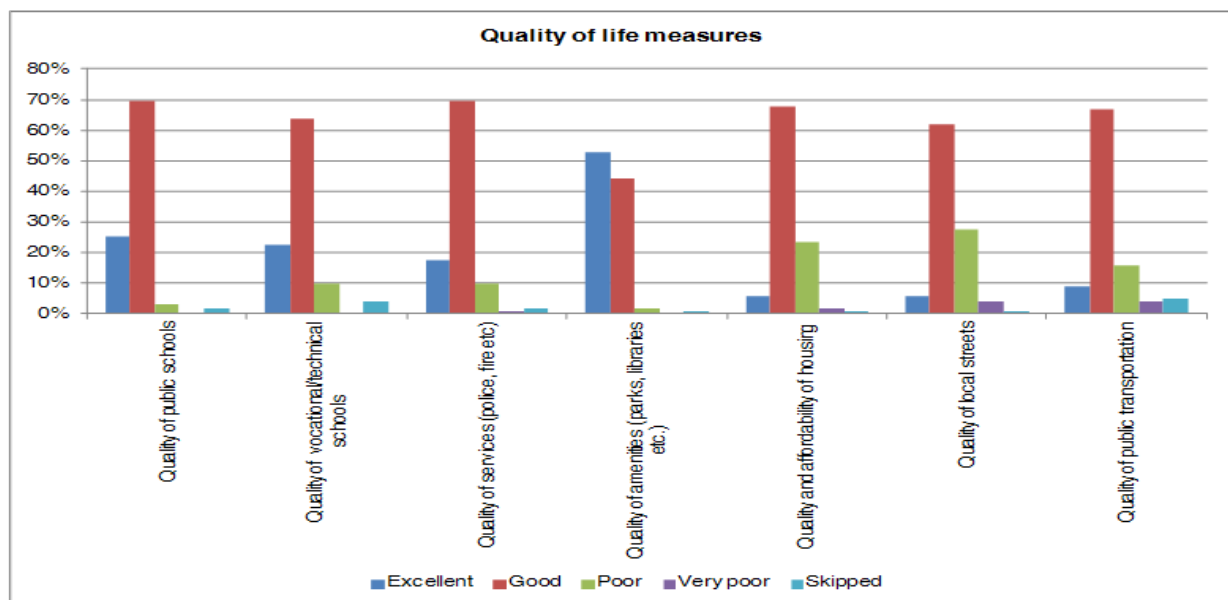
Figure 2: Focus Group Results: Quality of Life Measures
Source: Urbanics Consultants

2.1.2 Highly Advantageous Geographic Position

Perhaps Red Deer's greatest strength is its location on the Queen Elizabeth II Highway along the Calgary-Edmonton Corridor (also known as the "Red Deer Corridor") which is home to 2.7 million Albertans. The city is situated nearly equidistant between the two major cities, each about an hour's drive along the QE2 Highway. Well-served by road, rail and air transport, Red Deer can service this population as well as a significant portion of the surrounding areas. In all, Red Deer is positioned to service over 2.9 million Albertans, or over 80% of the province. The map below shows Red Deer relative to its neighbors.

Figure 3: Southern Alberta and the Red Deer Corridor
Sources: Google, Urbanics Consultants

2.1.3 Lower Costs of Living and for doing Business

Red Deer enjoys lower costs than many Alberta cities for certain important living and business inputs such as utilities, housing, transportation and commodities, costs which influence decisions on relocation. These data are from Alberta's 2010 Spatial Price Survey where Edmonton was set as the baseline and given the value of 100. All other cities are compared against that baseline for the costs in question. The conclusion drawn is that Red Deer is highly competitive with other Alberta cities.
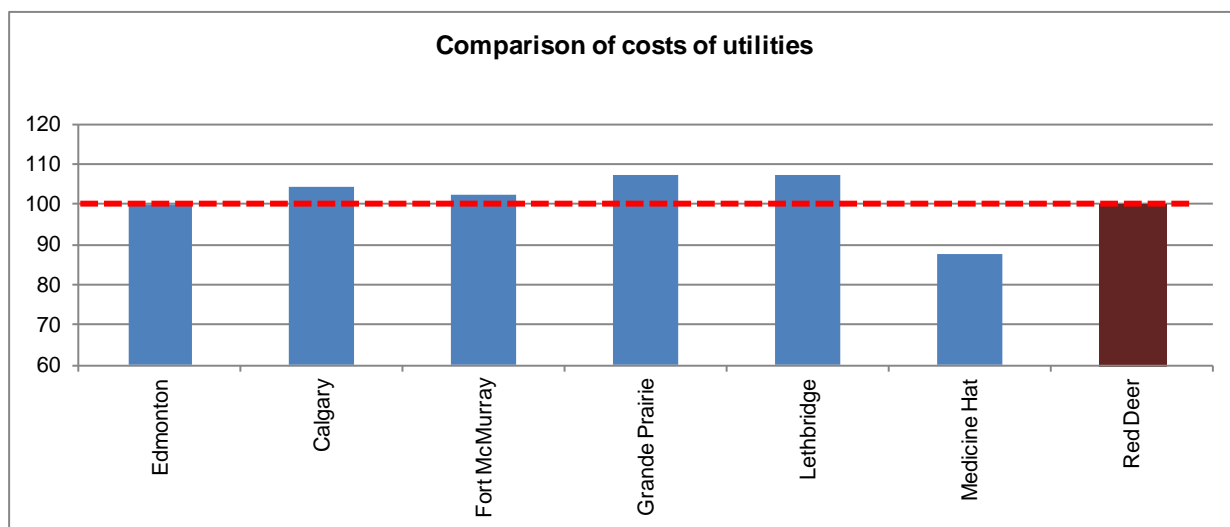
Figure 4: Utility Cost Comparison – Red Deer and Selected Cities – 2010
Source: Government of Alberta – Spatial Price Survey 2010
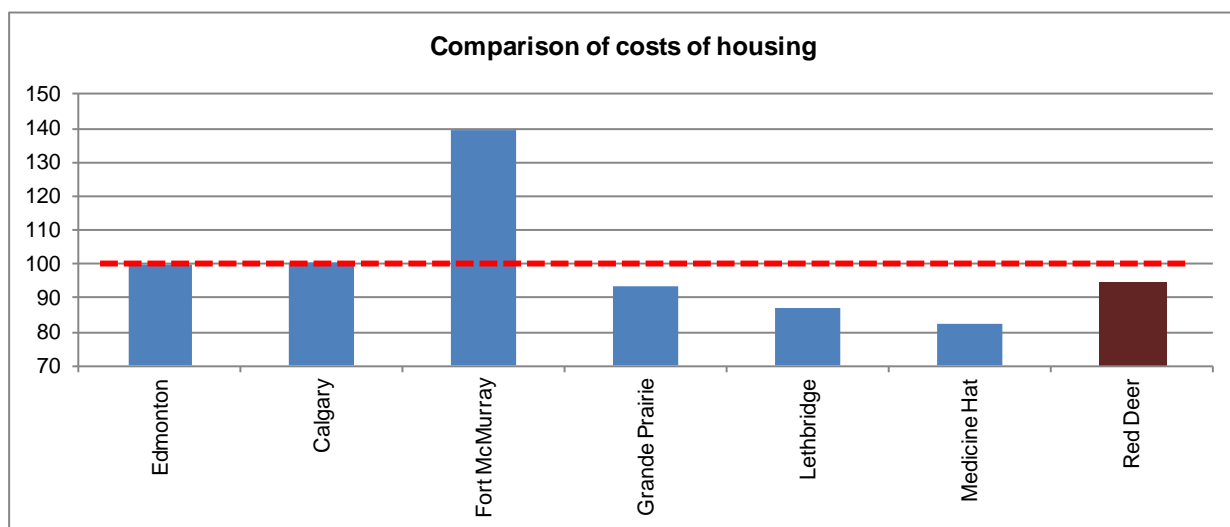
Figure 5: Housing Cost Comparison – Red Deer and Selected Cities – 2010
Source: Government of Alberta – Spatial Price Survey 2010

Red Deer offers a lower cost profile on goods and services that impact both households and businesses. Two items in particular include transportation and commodities. Again, Edmonton is selected as the baseline the other cities are compared.
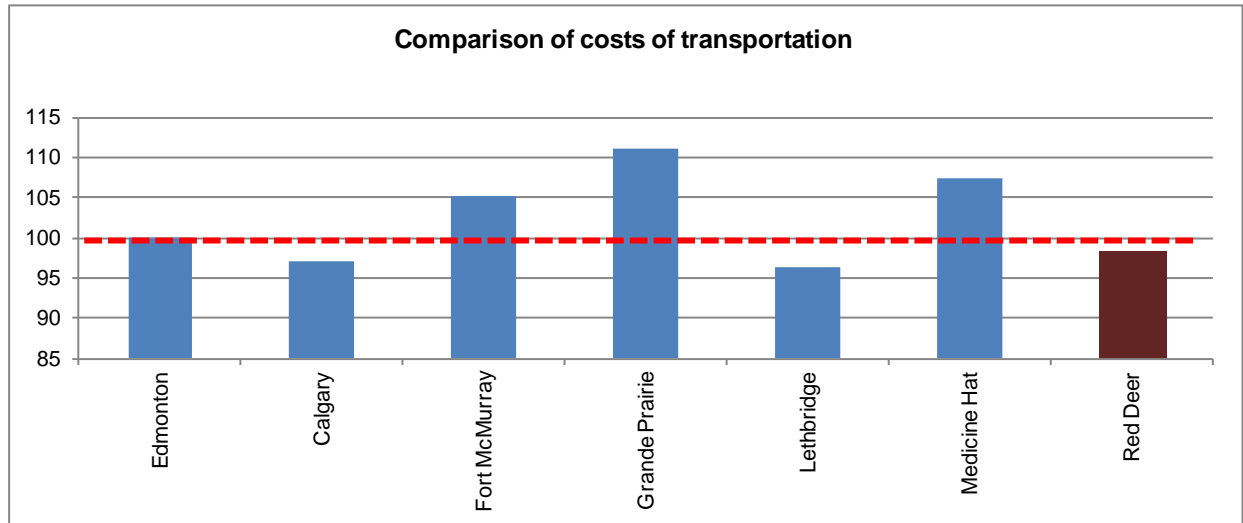
Figure 6: Transportation Cost Comparison – Red Deer and Selected Cities – 2010
Source: Government of Alberta – Spatial Price Survey 2010

Commodities in this index cover all manners of goods including food, shelter, transportation, utilities, clothing and hardware.
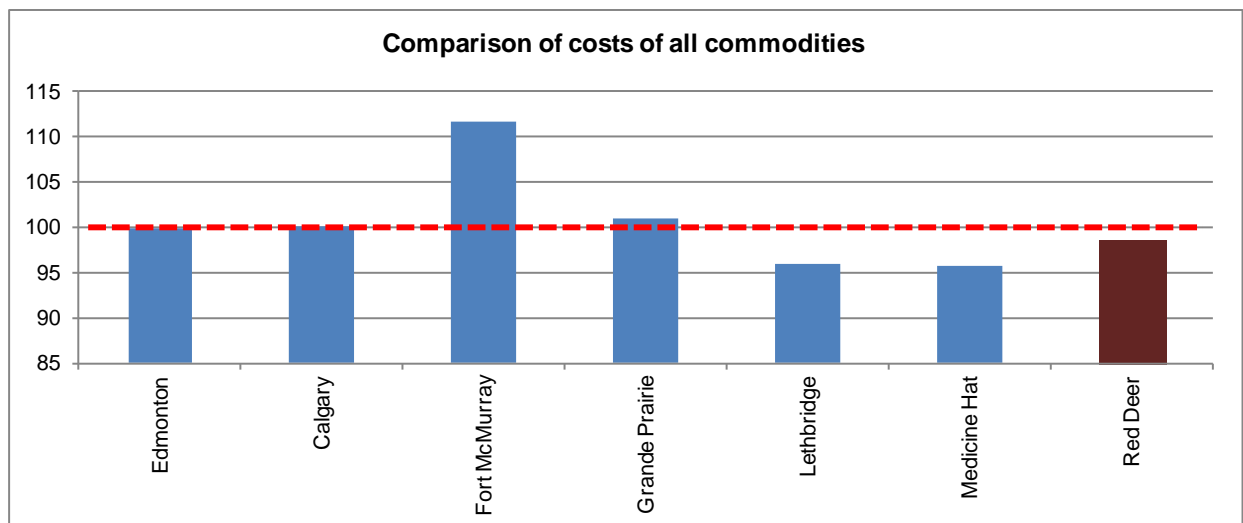
Figure 7: Commodity Cost Comparison – Red Deer and Selected Cities – 2010
Source: Government of Alberta – Spatial Price Survey 2010

2.1.4 Comparable Hourly Wages

Red Deer has slightly lower average wage rate ($23.99/hour) in comparison to most of the other economic regions and the provincial average ($24.84/hour) but are still attractive to workers. Hourly wages for selected cities and industries are shown in the figure below.
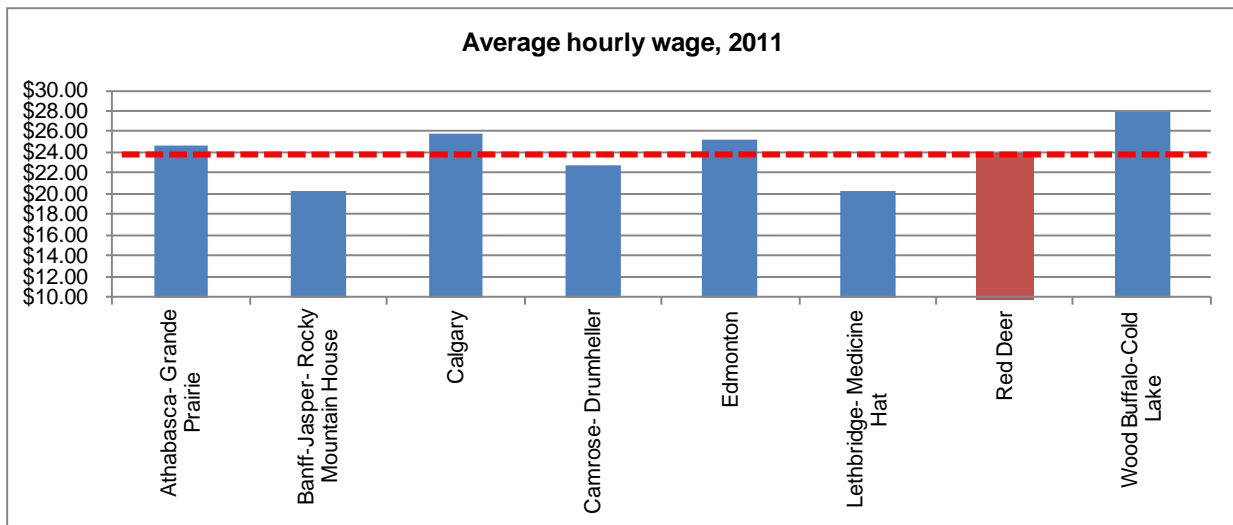
Figure 8: Average Hourly Wage – Red Deer and Selected Cities – 2011
Source: Alberta Human Services - 2011 Alberta Wage and Salary Survey
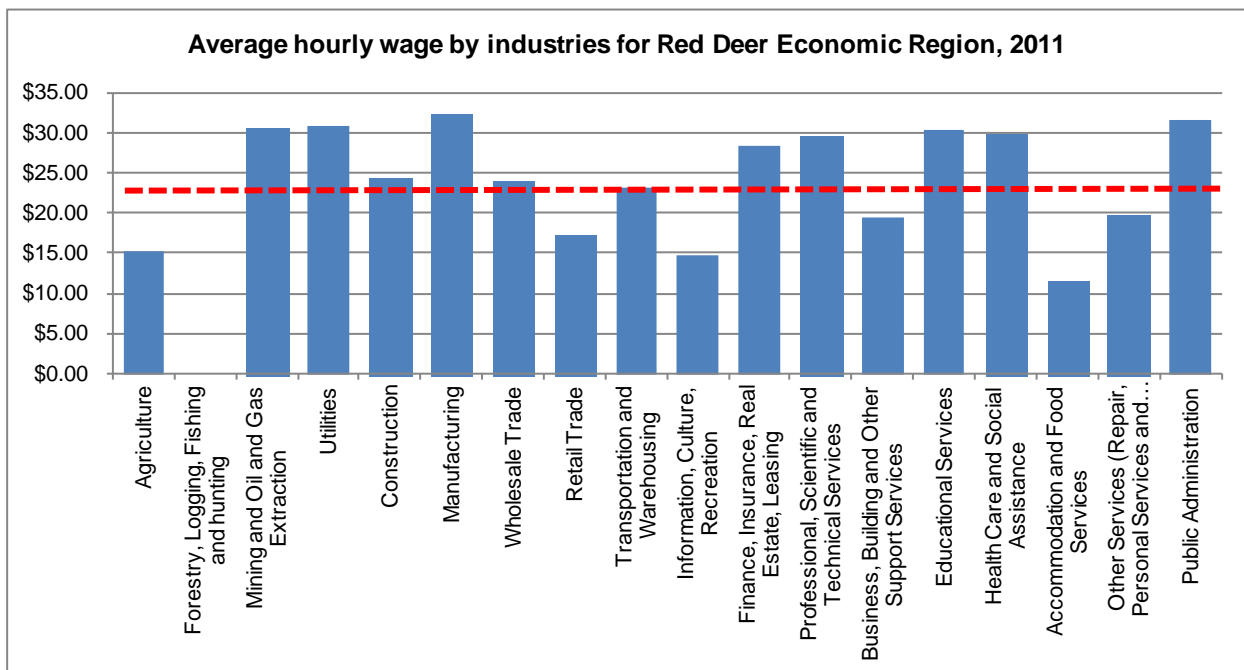
Figure 9: Average Hourly Wage – Red Deer Industries – 2011
Source: Alberta Human Services - 2011 Alberta Wage and Salary Survey

2.1.5 Favourable Tax Rates

Alberta boasts the lowest tax regime in the nation and municipalities in the Red Deer Region do not have business taxes. As such, the combined tax and utility rates in Red Deer and its surroundings are among the lowest in Canada. In 2009, combined federal and provincial corporate income tax was 29 per cent for general business and 14 per cent for small businesses. Several elements of the favourable tax regime include:

- No machining and equipment tax in the city of Red Deer.
- No provincial capital taxes and no sales tax.
- Publicly funded health care insurance system.

2.1.6 A Good Place to do Business

An encouraging 91% of survey respondents rated Red Deer as a good or better place to do business with a full 25% rating the business climate as excellent. This bodes well for business retention and the establishment of new enterprises.

Rate the city as a place for doing business

Category	Percentage
Excellent	25%
Good	66%
Poor	3%
Very poor	1%
Skipped	5%
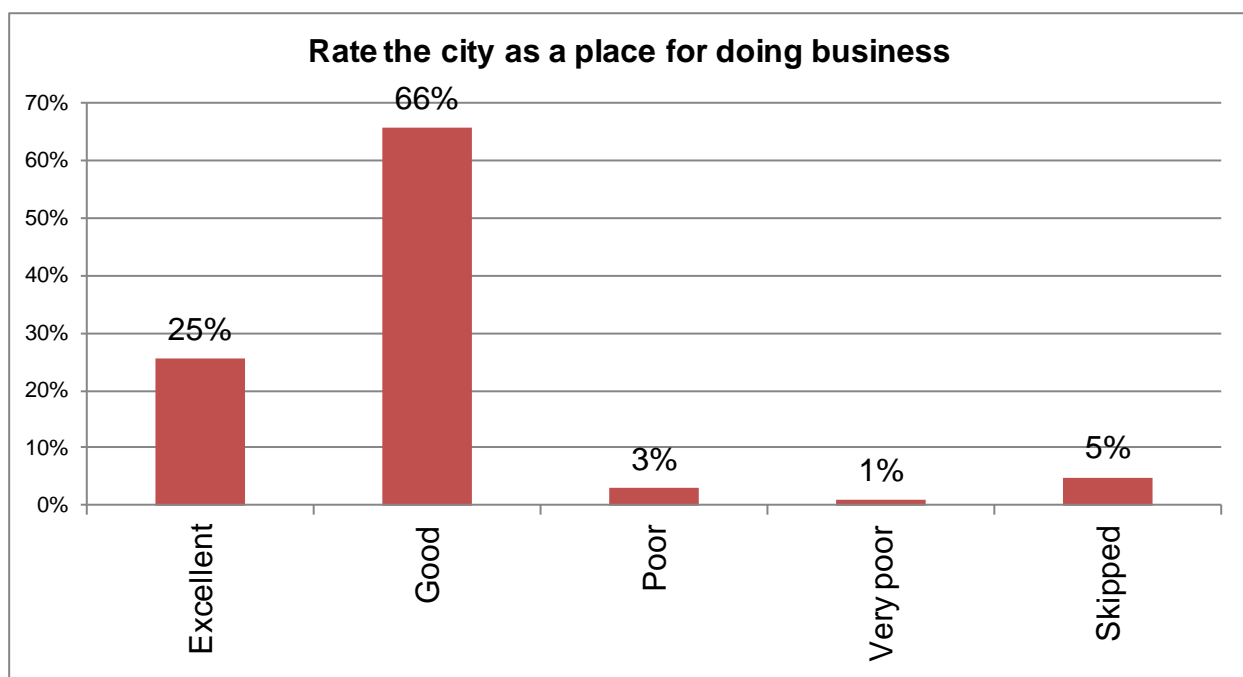
Figure 10: Focus Group Results: Red Deer Business Climate
Source: Urbanics Consultants

2.2 Weaknesses

Weaknesses are factors that place Red Deer at a disadvantage relative to others.

2.2.1 Potential Economic Volatility

Red Deer's economy is strongly tied to commodity prices, which though strong now are prone to booms and busts. In the chart below we track employment figures from the Labour Force Survey from 2006 to 2012. Manufacturing, construction and resource extraction provide nearly 25% of employment in Red Deer and we can see the dramatic swings in the numbers employed. Though it is important to note that the Global Financial Crisis of 2008 and 2009 likely played a significant role in these shifts, it cannot be ignored that these three key industries can easily gain or lose 1,000 jobs or more in a short period of time. Though gaining and losing jobs as well, the Services sectors were significantly less volatile over the same time period.
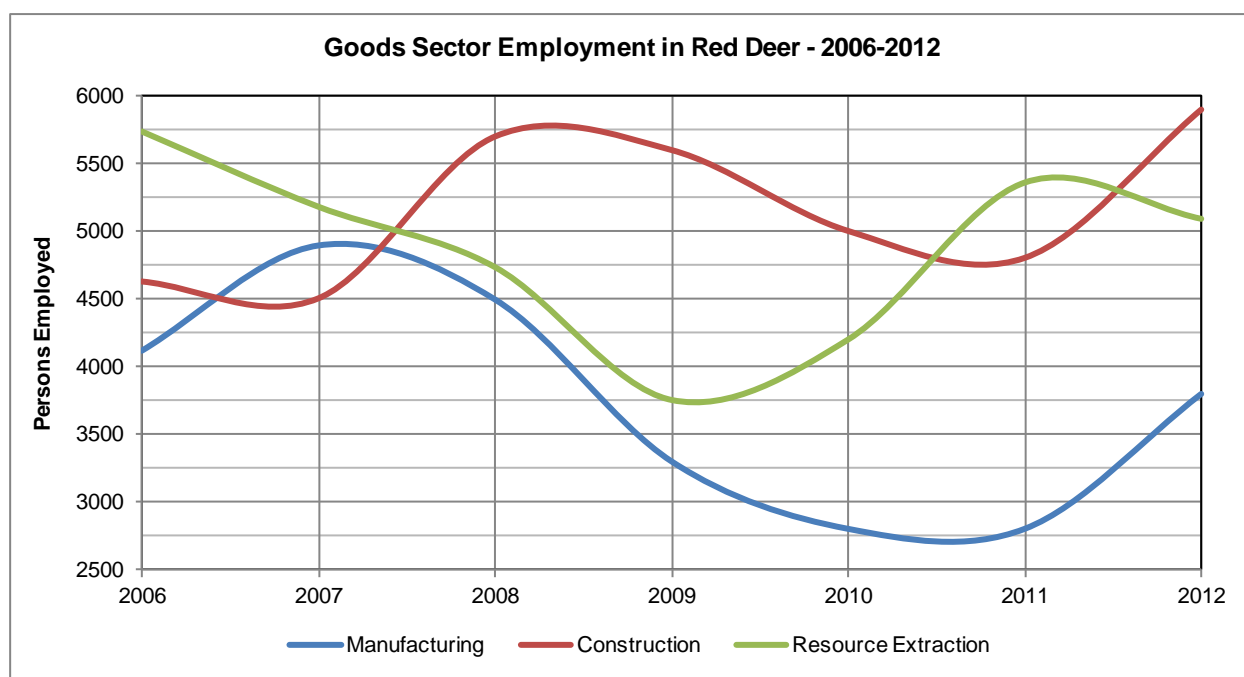
Figure 11: Goods Sector Employment in Red Deer: 2006-2012
Sources: Statistics Canada Labour Force Survey; Conference Board of Canada

2.2.2 Crime

Red Deer suffers from crime rates above the provincial and national averages, which may serve to hamper economic development and growth. What is perhaps more important is that Red Deer residents may perceive crime (especially downtown) as a deterrent to the city realizing its full potential. Some statistics are shown below.
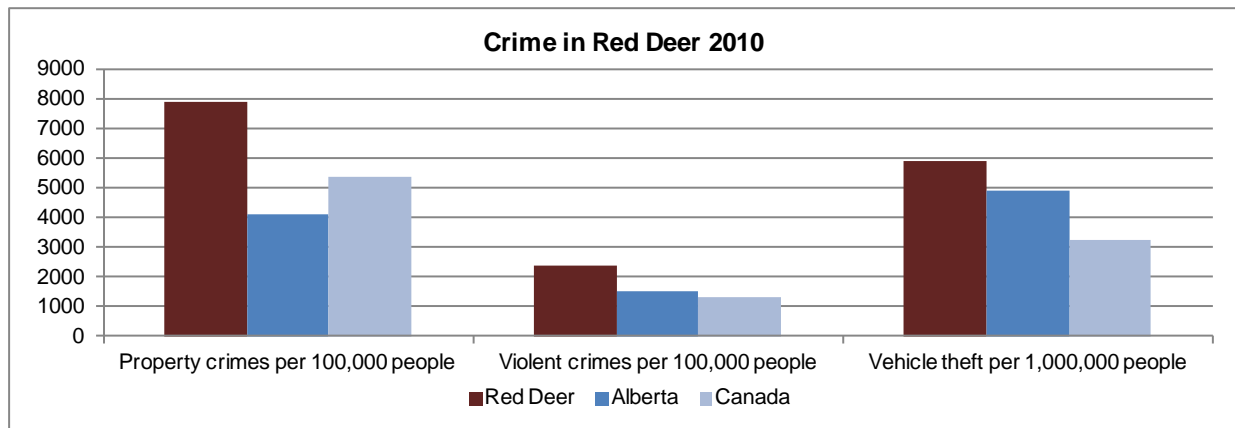
Figure 12: Selected Crime Statistics
Source: Red Deer Vital Signs 2011
Note: Different reference figures are used for the purposes of scaling the information for display. The relative comparisons between Red Deer and other geographies is the intention of this chart more so than the numbers themselves.

2.2.3 Educational Attainment

Red Deer has a lower percentage of residents with a post-secondary education as compared to the province or the nation; having a larger workforce than its smaller neighbors, Red Deer does have a higher number of post-secondary graduates than its neighbors along the Corridor. While this may not necessarily be a weakness, Red Deer should be aware of the correlations between higher education and entrepreneurship. More information is shown in the chart below.
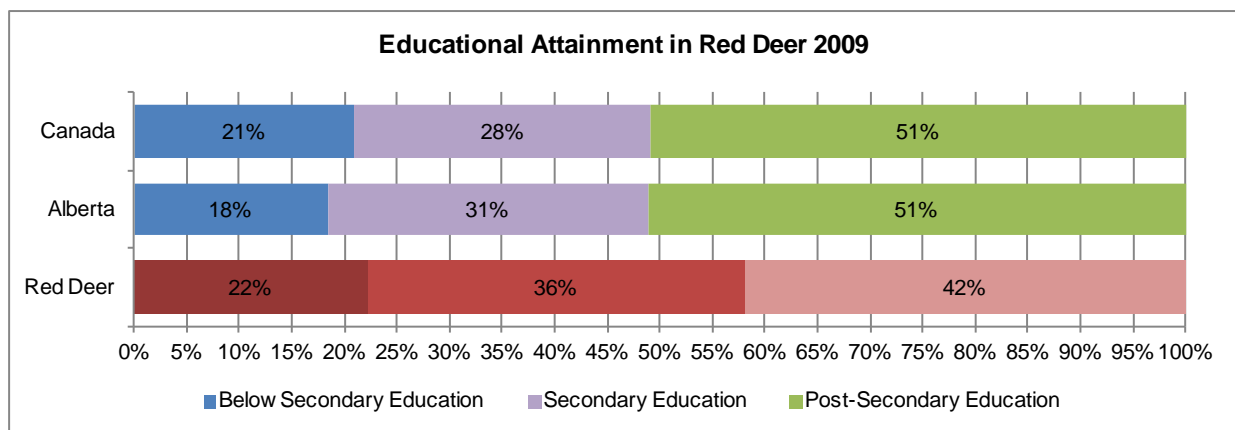
Figure 13: Highest Level of Educational Attainment
Source: Red Deer Vital Signs 2011

2.2.4 Limited Foreign Investment

Foreign investment is limited in comparison to Alberta's other large cities. The Foreign Direct Investment study conducted by Red Deer Regional Economic Development concluded that significant potential exists for foreign investment in the Red Deer Region, especially in the manufacturing, logistics and transportation, and the agri-food industries.

2.2.5 Health and Wellness

Red Deer residents have higher rates of obesity, low birth weight, smoking and heavy drinking than the province or nation as a whole. The city also has a lower than average number of physicians per capita, which may suggest that patients may not have the same level of care as others in the province. Though the average number of missed work days per year has risen from 5.9 in 1997 to 8.9 in 2009, Red Deer still has fewer missed work days than does the nation overall. Comparisons are illustrated in the chart below.
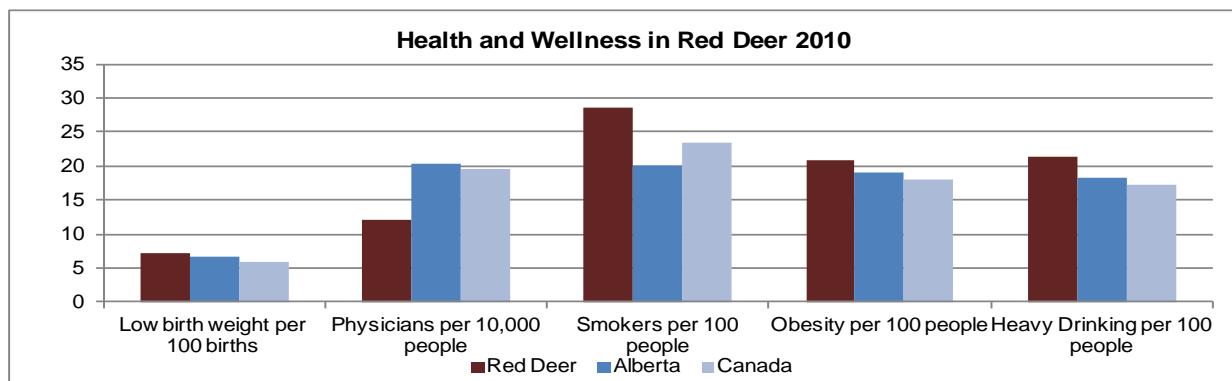
Figure 14: Selected Health and Wellness Metrics
Source: Red Deer Vital Signs 2011

2.2.6 Tourism

Though the tourism-related Accommodation and Food Services sector employs over 7% of Red Deer's workforce, focus group respondents noted the lack of selling points for Red Deer tourism. They also mention a lack for an "iconic attraction," as well as marketing and regional packaging, though the true economic benefits of such an attraction have yet to be determined. The conclusion to be drawn here is that Red Deer residents perceive a gap between the tourism activity they observe and the potential they imagine.

2.3 Opportunities

Opportunities are elements that Red Deer could exploit to its advantage, including:

2.3.1 Job Growth

Mining, oil and gas extraction and manufacturing industries can provide significant growth in employment in the region. Over the next 10 years these industries will add over 3,500 new jobs (22% of the total anticipated jobs growth): Mining, oil and gas extraction (2,200 jobs) and Manufacturing (1,300 jobs). Construction industry will add another 1,400 jobs, including residential and non-residential construction as well as heavy and civil engineering construction. Also, service industries are expected to add over 9,400 new jobs (59% of the total anticipated jobs growth) during 2011-2021: Wholesale trade (1,000 jobs); Retail trade (1,100 jobs); Professional, scientific and technical services (1,000 jobs); Health care and social assistance (1,500 jobs); and Accommodation and food services (1,000 jobs).

2.3.2 Relatively Large and Young Population

The population in the city of Red Deer is significantly younger and has a higher proportion of working age population in comparison to many of its neighbours as well as the Province. It should be noted that while the 2011 Canadian Census estimates the median age of Red Deer residents at 34.7 years, the 2010 municipal census arrives at 32 years. Comparative median ages are shown below.
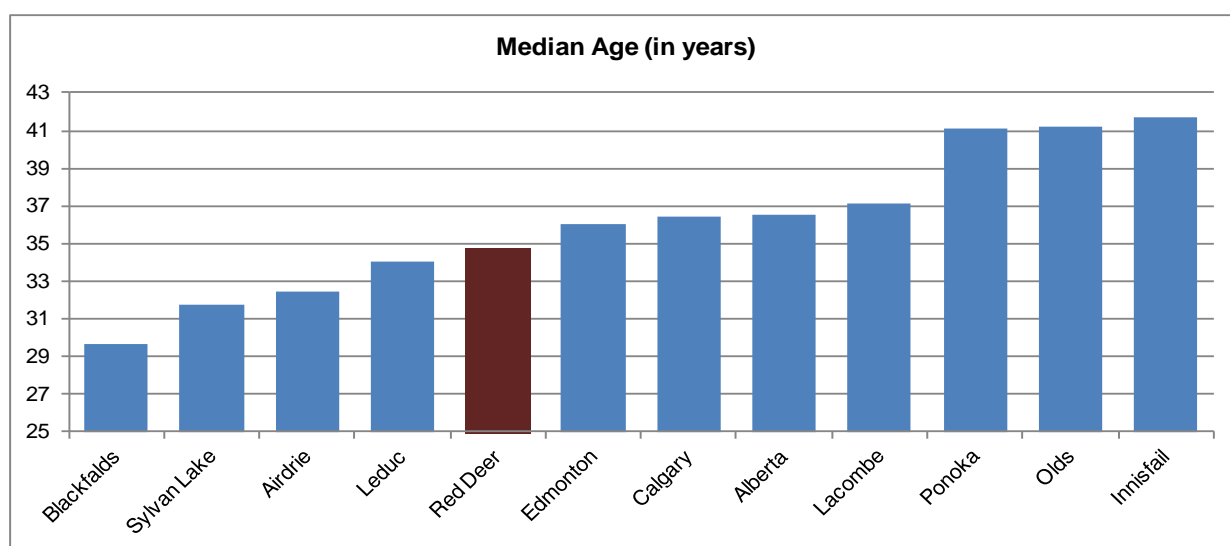
Figure 15: Median Age of Residents – Red Deer and Neighbors, 2011
Source: Statistics Canada, 2011 Census

2.3.3   Red Deer Airport

Handling 50,886 flights in 2012 the Red Deer Airport is not only Alberta's busiest regional airport, but its fastest growing as well. Its traffic volume has increased by over 25% since 1997 while other regional airports, notably Lethbridge, Whitecourt and Peace River, have fallen considerably. Red Deer should consider leveraging its airport in conjunction with the logistical advantages of its geographic location to become a multi-modal transportation hub. Red Deer can be the epicenter of an inland port for both Calgary and Edmonton that is well connected by road, rail and air.

Aircraft movements at Alberta's Regional Airports
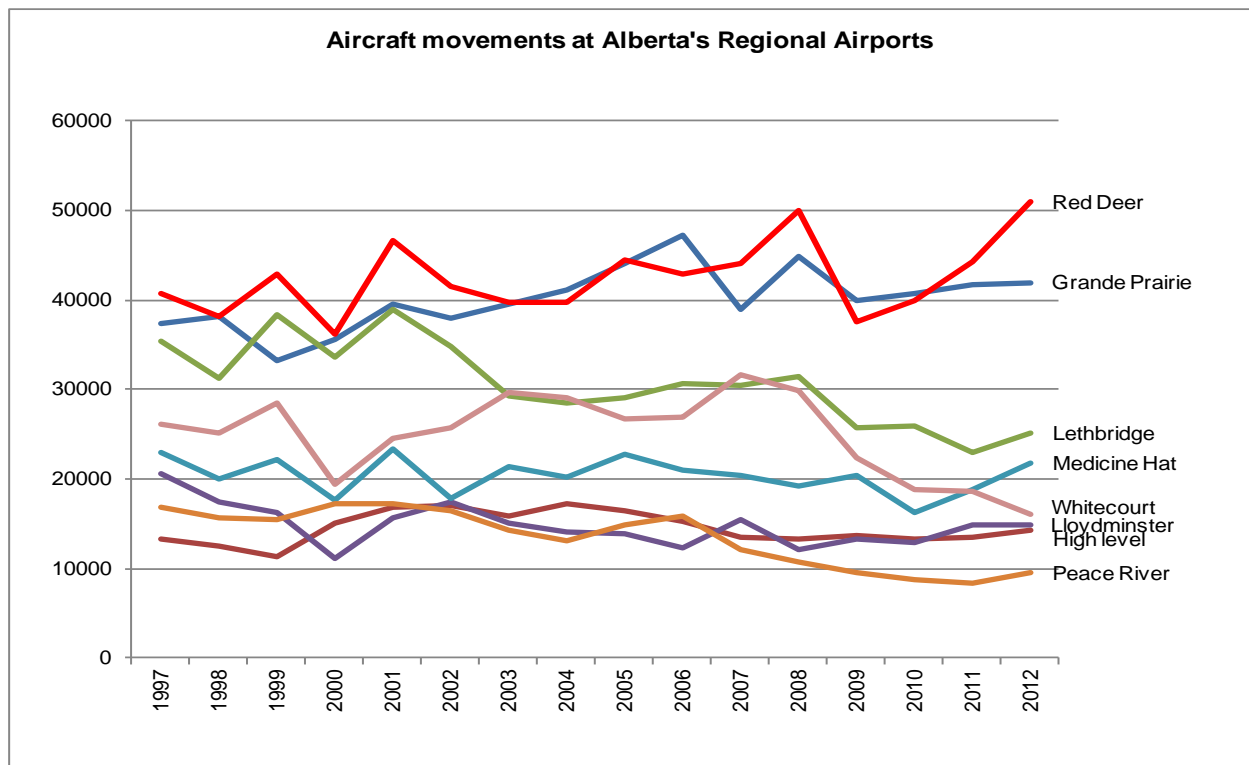
Figure 16: Flight Volume and Growth of Alberta Regional Airports, 1997-2012
Source: Statistics Canada (Table 401-0014)

2.3.4   Red Deer College

With over 7,000 full-time students, Red Deer College offers certificates, diplomas, and degrees in over 75 different career and academic programs. The City should encourage its brightest youth to consider Red Deer College so that they may gain the skills needed to grow and innovate the local economy. Red Deer College supports apprenticeship training through the Alberta Learning program. Furthermore, should Red Deer College elevate to university status the city would benefit from the number and breadth of students attracted.

2.3.5   Local Business Expansion and Retention

Over 40% of the business owners we surveyed indicated that they intended to expand their operations in the near future while over half of Red Deer businesses planned to remain where they are. This indicates an opportunity for Red Deer to engage with its local businesses and create or maintain the conditions favorable to growth.

Whether planning to expand, have room to expand or change location in near future
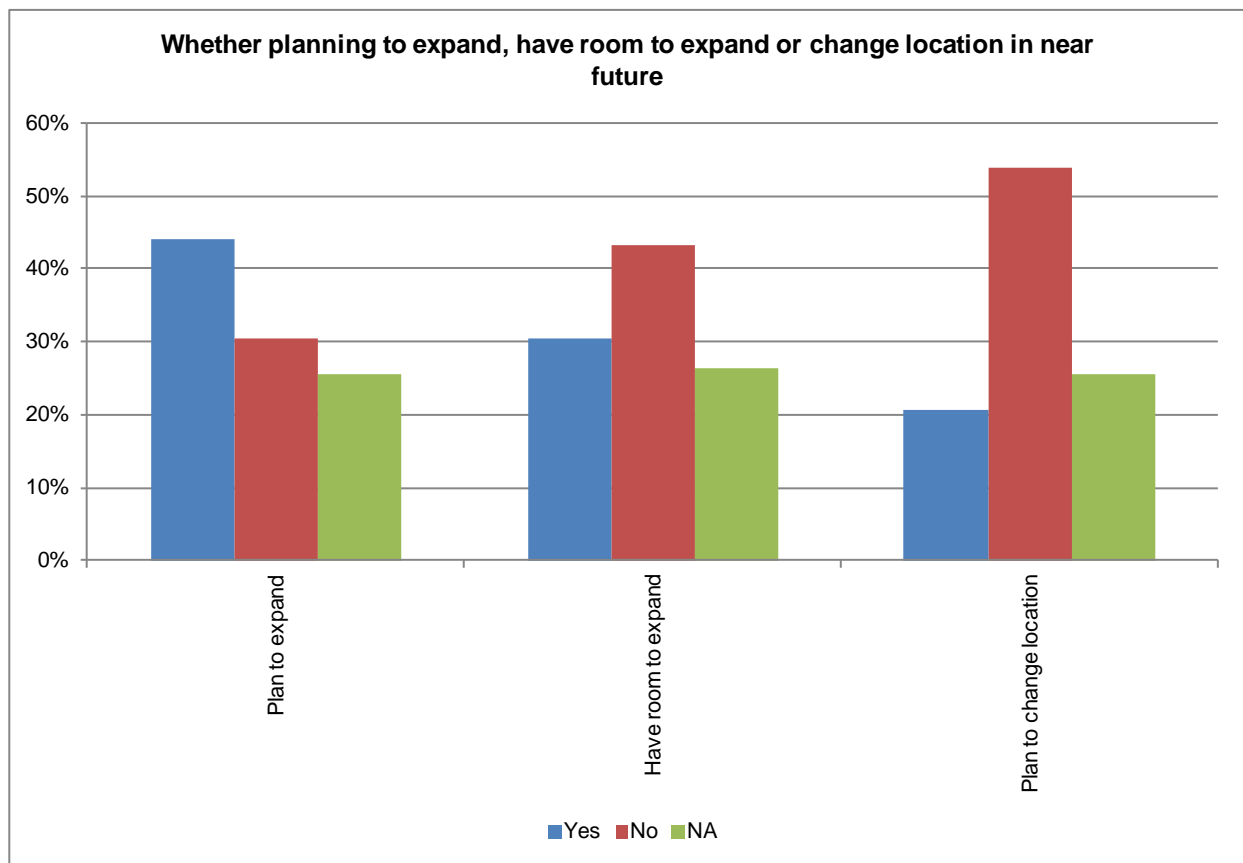
Figure 17: Business Survey Results: Short-Term Plans of Red Deer Businesses
Source: Urbanics Consultants

2.4 Threats

Threats are elements in the environment that could impede Red Deer, including:

2.4.1 Proximity to Calgary and Edmonton

While Red Deer derives nearly all of its economic benefit from its proximity to Calgary and Edmonton, this advantage can also prove to be a threat. Without a sufficiently diversified and locally-sourced economy, Red Deer will always be tethered to the fortunes of its larger neighbors, not least is the exposure to the global markets for the products of primary industries such as mining, manufacturing and oil and gas extraction. Furthermore, Calgary and Edmonton also compete for businesses and industries which may otherwise consider locating in Red Deer.

2.4.2 Immigration and Labour Force Availability

Central Alberta often has labour gaps where there are more jobs than qualified people to fill them. One way companies in Red Deer have dealt with this is through hiring foreign workers through the Temporary Foreign Worker Program or though the Provincial Nominee Program. A potential threat comes from a change in federal immigration policy. Too tight an immigration policy could prevent many jobs from being filled while too permissive a policy could depress wages for all Albertans.

2.4.3 Skills Training and Labour Force Availability

Related to immigration is the overall level of marketable skill held by the local population. A quickly changing economy often demands skill sets other than those which were previously sufficient. The results are labour gaps that can only be filled through retraining the local workforce or hiring outsiders who already possess the desired skills. A potential threat is the viability and accessibility of skills training pathways such as the "Pre-employment Floorhand Training" through the Petroleum Training Service at Calgary and Nisku. If local workers cannot get the skills they need or "get their foot in the door" with local employers then Red Deer may not be able to reap the full economic benefit from its people.

3 Key Findings

This chapter takes a high-level view of our findings and organizes them into focus areas.

3.1 Emergence of Focus Areas

We set out to organize our findings and discovered that six major themes, or focus areas emerged. Those themes were: Strategic Positioning, Economic Diversity; Labour; Land Use; Small Business Support and Downtown Revitalization. We found that feedback we received from surveys and focus groups further reinforced the six major themes or focus areas, the aggregate of the information gathered touched each of the focus areas, as represented below.
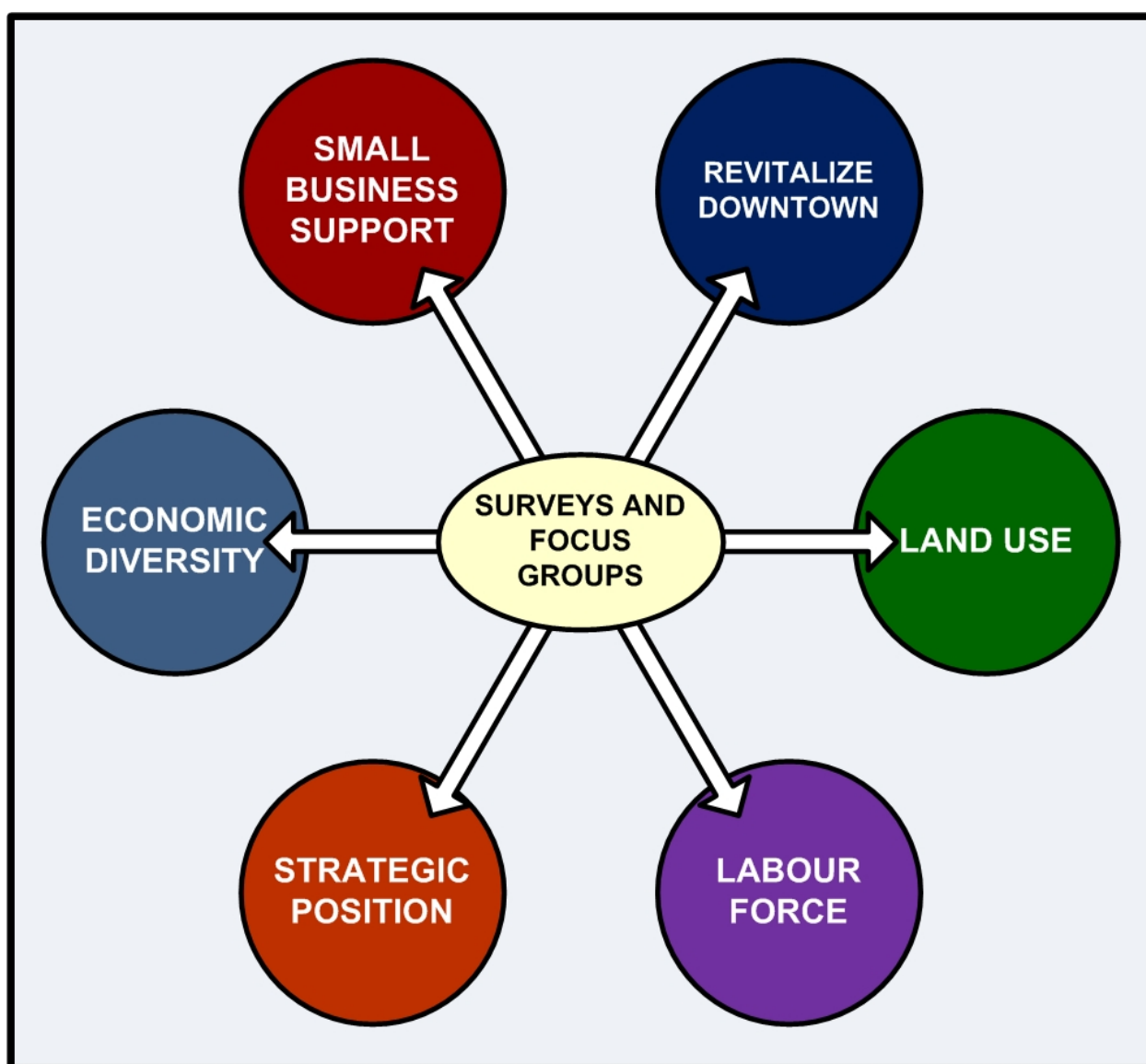
Figure 18: General Connections between Primary Research and Focus Areas
Source: Urbanics Consultants

Our data-driven analyses further reinforced these six themes. Though we found that each analysis tended to tie to a single focus area, all analyses and focus areas were ultimately linked. The general relationships between our analyses and the focus areas are represented below.
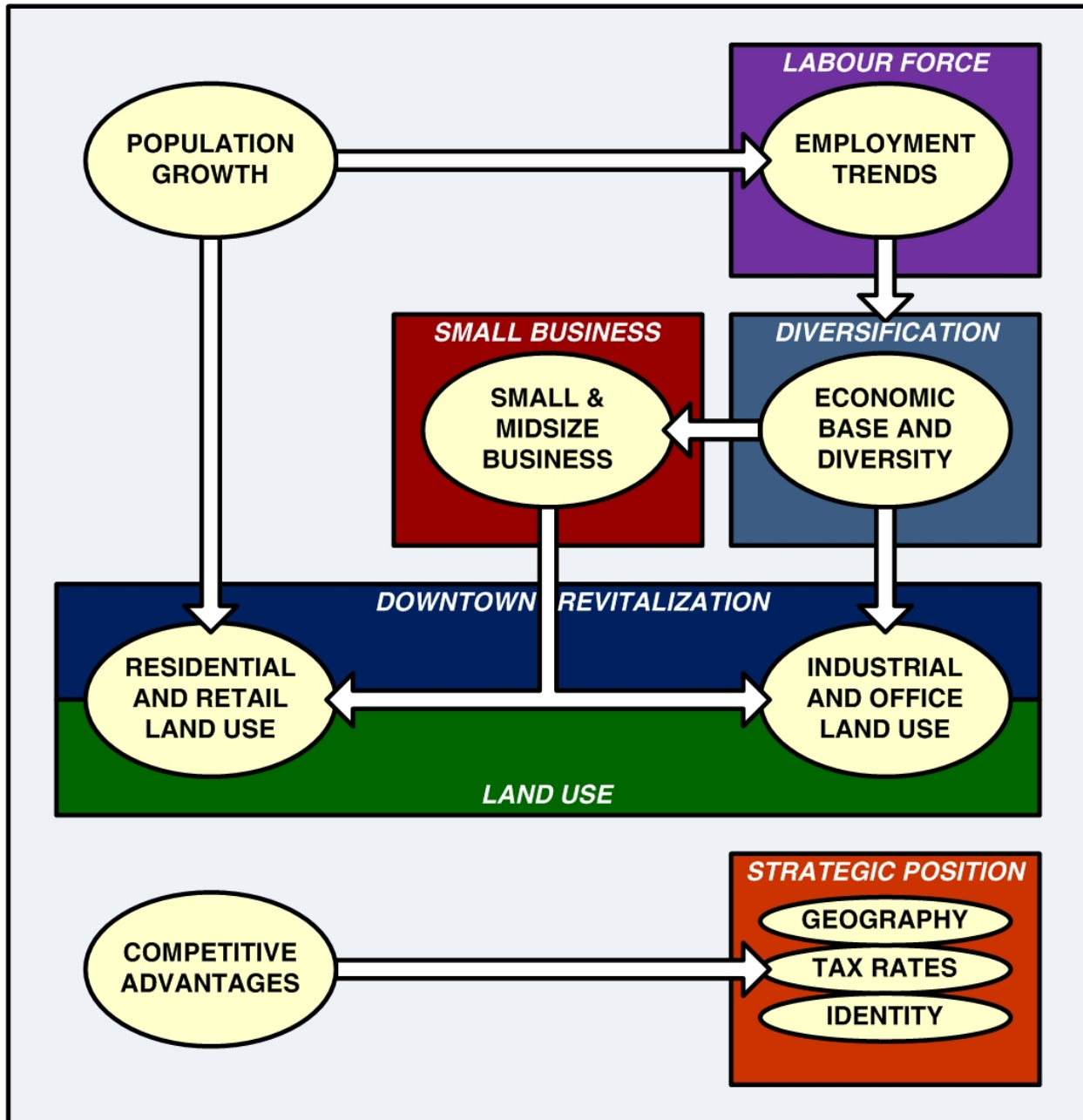
Figure 19: General Connections between Data Analyses and Focus Areas
Source: Urbanics Consultants

3.2 Findings on Strategic Position

<u>Challenge:</u> Red Deer does not seem to be fully capitalizing on its competitive advantages, namely its central location along the Red Deer Corridor. Also, Red Deer has not yet channeled its unique value proposition into a sort of nationally recognized identity or brand.

The Calgary-Edmonton Corridor (also known as the "Red Deer Corridor") is home to 2.7 million Albertans and the city of Red Deer is situated nearly equidistant between the two major cities, each about an hour's drive along the QE2 Highway. Well-served by road, rail and air transport, Red Deer is positioned to service over 2.9 million Albertans, or over 80% of the province. Given this advantageous location, one would expect that a strong pillar of Red Deer's economy would be logistics and transportation. Surprisingly, Red Deer has a smaller fraction of its workforce employed in logistics than the Province of Alberta or the nation as a whole. Our Location Quotient analysis suggests that Red Deer is a net importer of logistics services, while we feel that because of its geographic advantage, should be a net exporter.

Focus group participants also discussed the strengths and challenges flowing from Red Deer's location. While Red Deer's geographic centrality is highly advantageous, some felt that more could be done to leverage this strength. For one, many felt that the airport could play a larger role in the city's economic development. Also, given the large population within a 2-hour drive of the city, some felt that Red Deer could be a tourism capital, with events and attractions that draw visitors from all of southern Alberta. Central to these themes is the development of a unique brand identity for the city of Red Deer – a way for the city to stand on its own and distinguish itself from Calgary and Edmonton.

It is worth noting that the City has also perceived this lack of a well-defined identity for Red Deer and articulated desired outcomes in its Strategic Direction 2012-2014 document. In April 2013, the City launched its "Identity Project" which engages the community in "discovering" who Red Deer is, recognizing that the city must compete for residents, visitors and businesses.

Figure 20:Graphic Art from Red Deer's "Identity Project"
Source: City of Red Deer (www.reddeer.ca)

3.3 Findings on Economic Diversity

Challenge: Red Deer is heavily reliant on goods-producing industries, especially the oil and gas extraction and mining industries. This makes the city's economy and employment especially vulnerable to business cycles and commodity price volatility. A significant fraction of Red Deer's workforce is subject to dramatic swings in employment. Branching out into other more cycle-agnostic industries can help.

As of 2011 Red Deer had approximately 53,900 working residents employed in the industries shown on the following page. We can see that resource extraction industries such as mining, quarrying and oil and gas extraction employ a significant fraction of the Red Deer workforce, as does retail trade and the industries associated with healthcare.

Comparing the fraction of Red Deer's workforce in a given industry with that of a larger economy, such as the Province of Alberta, we can ascertain which industries are considered "basic" to the Red Deer economy. That is, industries which employ a larger fraction of its workforce as compared to the larger base economy are "exporting" goods and services into the broader economy as opposed to circulating them internally. Not surprisingly, resource extraction is a basic industry as it employs a higher fraction of its workforce than in the rest of the province. Other basic industries include wholesale and retail trade and healthcare. Despite the large fraction of the Red Deer workforce employed in construction it does not appear to be a basic industry. The fraction of Red Deer's workforce employed in manufacturing dipped below that of the broader base economy in 2011, which could be interpreted as an industry in decline. However, considering that Red Deer manufacturing has typically been a basic industry (as it was in 2001 and 2006) we feel that the downturn was merely a result of shocks to the economy as a whole. As noted before, these shocks can have enormous impacts on goods-sector employment in Red Deer, and thus we still consider manufacturing a basic industry.

Red Deer Employment 2011	Workers	Share of Labour Force		
Employment share	Red Deer	Red Deer	Alberta	Canada
Goods-producing sector	13,700	25.4%	28.8%	22.1%
Mining, quarrying, and oil and gas extraction	5,500	10.2%	8.1%	2.1%
Construction	4,800	8.9%	10.5%	7.2%
Manufacturing	2,800	5.2%	6.4%	10.2%
Agriculture, forestry, fishing and hunting	350	0.6%	2.8%	1.8%
Utilities	250	0.5%	1.0%	0.8%
Services-producing sector	40,200	74.6%	71.2%	77.9%
Retail trade	7,450	13.8%	11.2%	11.6%
Health care and social assistance	6,100	11.3%	10.6%	12.2%
Accommodation and food services	4,150	7.7%	6.2%	6.3%
Educational services	3,350	6.2%	6.0%	7.4%
Other services	3,350	6.2%	4.9%	4.5%
Professional, scientific and technical services	2,400	4.5%	7.3%	7.4%
Wholesale trade	2,350	4.4%	3.8%	3.5%
Finance and insurance	2,150	4.0%	3.3%	4.5%
Transportation and warehousing	2,000	3.7%	5.4%	4.9%
Business, building and other support services	2,000	3.7%	3.4%	3.9%
Public administration	1,900	3.5%	4.1%	5.5%
Real estate and leasing	1,500	2.8%	1.5%	1.8%
Information, culture and recreation	1,500	2.8%	3.3%	4.5%

Table 1: Employment in Red Deer by Industry and Comparative Workforce Share 2011
Sources: Statistics Canada; Conference Board of Canada; Urbanics Consultants

Focus group participants did feel that Red Deer could benefit from more economic diversity, especially from sectors less sensitive to the ebbs and flows of commodity prices and the larger economy. But they also urged the City to not ignore the main source of Alberta's success, and encouraged Red Deer to become a leader in developing the technologies that improve oil extraction processes. Such technologies could also serve geotechnical and oil and gas industries worldwide. Expanding upon that, participants saw a future where Red Deer firms led the way in renewable energy development. Several participants suggested that there was a future in agribusiness and that Olds College and Red Deer College could assist in that effort. Lastly, several participants stressed the importance of enticing larger enterprises to relocate to Red Deer, but suggested that current zoning regulations might impede that.

The city will need a broad employment base in a diverse range of industries not necessarily related to each other or to the Oil and Gas extraction industries. As stated earlier, perhaps the city's greatest competitive advantage is its central location along the Red Deer Corridor which could be harnessed to help create a transportation and distribution hub. Red Deer may also want to cultivate an innovation economy based on science, engineering, education, agriculture and "green" technologies.

3.4 Findings on Land Use

Challenge: Tight supply of commercial and residential land can be a major concern for businesses considering relocating to or expanding in Red Deer. Several focus group participants perceive Red Deer housing as being of low quality yet unaffordable which is compounded by very low apartment vacancies. Furthermore there are many challenges associated with utilizing brownfield lands required to realize the vision of a redeveloped and revitalized riverfront and downtown.

As of the 2011 Canadian Census the city of Red Deer had approximately 90,570 residents up from 82,770 in 2006 and exhibiting an average annual increase of 2.77% since 1996. The annual rate of increase slowed to 1.82% between 2006 and 2011 while the province grew at an annual average of 2.19%. We performed three population projection scenarios through the following thirty years. Using the medium growth scenario, we expect Red Deer's population to grow to about 175,000 by 2041; this represents an annual growth rate of 2.23%.

These projections suggests that Red Deer will need over 75,000 homes by 2041, almost twice as many as there were in 2011, assuming that household sizes remain stable at 2011 levels.

Housing Metrics	2011	2016	2021	2026	2031	2036	2041
Population (Forecast)	90,570	102,517	115,133	128,409	142,488	158,004	175,726
Household Size (Assumed Stabilized)	2.33	2.33	2.33	2.33	2.33	2.33	2.33
Dwellings Required (Forecast)	38,789	43,999	49,413	55,111	61,154	67,813	75,419

Table 2: Red Deer Population and Housing Need Forecast - 2011-2041
Sources: Statistics Canada; Urbanics Consultants

Accounting for homes that need to be replaced due to natural building lifecycles we can calculate the demand for new housing units. The 5,695 units needed between 2011 and 2016 yields an average demand of 1,139 units each year over that time period. This annual demand will grow as the population grows.

Source of New Housing Unit Demand	2011-2016	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041
Units needed by additional residents	5,210	5,415	5,698	6,043	6,659	7,606
Units needed to replace demolished units	485	550	618	689	764	848
Total Units Demanded (5-Year Period)	5,695	5,965	6,315	6,732	7,423	8,454
Total Units Demanded (Annual Average)	1,139	1,193	1,263	1,346	1,485	1,691

Table 3: Red Deer Housing Demand Projection - 2011-2041
Source: Urbanics Consultants

Over the past ten years, an average of 1,024 new units of housing have been added each year to Red Deer's stock with over 62% of those being single-detached homes. Since the financial crisis of 2008, those numbers have fallen sharply to an annual average of 658 units. This means that over the past few years, Red Deer has been building barely half of the housing units needed to accommodate its population growth.

Regarding other land uses, we project that the city of Red Deer should be able to support 8.1 million square feet of retail by 2021 and over 9.6 million square feet by 2031. This suggests an average annual growth between 2011 and 2021 of nearly 149,000 square feet across all retail categories. Our projections suggest that total demand for office space will be roughly 2,464,000 square feet by 2021, representing an average annual demand of just over 47,000 sqft. Lastly, our projections suggest that demand for industrial land will be about 2,101 acres by 2021. This equates to an average natural demand of about 45 additional acres of industrial land per year. It should be noted that Red Deer's land banking operations can contribute to these demands as it has done in the past.

Many survey respondents and focus group participants indicated their belief that city zoning and approval policies inhibit small business growth. The most common complaints are: commercial zoning is too restrictive and prevents many businesses from expanding or otherwise having enough space appropriate for their needs; not enough commercial space is available which, in turn, drives up already high rents. Specifically respondents had issue with restrictions on permitted uses in existing zoning types – for instance, some commercial uses may benefit from open built forms, such as high ceiling heights and larger floorplans, which are typically only found in industrial spaces, but do not allow such commercial uses. Another common theme among respondents was the sentiment that the road/street infrastructure was inadequate.

3.5 Findings on Labour

Challenge: The availability of sufficiently skilled labour is critical to the economic success of any city, and the shortage of such labour can be problematic. Local labour often does not possess the required skills and needs to be augmented by immigrant workers. Using immigrant workers does not necessarily solve matters for all industries either as the best workers will soon leave lower-paying jobs for higher wages elsewhere. Complicating matters for Red Deer is its lower than average high school completion rate.

Over the next 30 years, Red Deer will see a significant increase in population, with its working-age cohort, those aged between 15 and 64 years, nearly doubling from nearly 65,000 to over 112,000 workers. One of Red Deer's advantages is its large population and workforce compared to its neighbours along the Red Deer Corridor.

While high school completion rates are higher but generally comparable with those of Alberta and the nation, Red Deer has a lower than average portion of its workforce with post-secondary education.

Perhaps the liveliest discussions of the focus groups happened around the subject of the availability of suitably trained labour. Generally participants were in agreement that there is a shortage of labour with the skills that local businesses require. Immigrant workers have been able to fill this gap, but even then, some industries (meat processing, for example) regularly lost those workers to higher-paying jobs in the oil and gas sector. Tying into other concerns were the sentiments that Red Deer was not an attractive place for unattached professionals – while it was a great place for families, it offered little to younger, single people. Participants felt that efforts should be made to retain the brightest young workers as well as find a way to engage and train/retrain those at risk of falling behind.

3.6 Findings on Small Business

Challenge: As in most of the developed world, most new jobs in Canada are created by small businesses and not by large corporations. Red Deer has among the highest number of small businesses per capita in Canada, and they form an integral part of the Red Deer economy. Creating an environment where small businesses may start, thrive and grow is essential to Red Deer's competitive advantage. Among the challenges is the continuity of family-owned businesses when the owner retires without a successor. Lastly, innovation-oriented startup businesses would greatly help building a diverse and sustainable economy.

Complementary with overall economic diversification is supporting the formation and growth of small businesses. With 7.51 small businesses per 100 people, Red Deer has the highest ratio of small to medium enterprises (SME) to residents in Canada. Much of the nation's job growth is expected to originate from SMEs for the foreseeable future. The City of Red Deer as well as local business organizations do have programs in place to assist entrepreneurs handle the administrative minutiae of registering their businesses, but perhaps more can be done.

Several focus group participants suggested Red Deer create a sort of small business "incubator" akin to those found in other cities, where small businesses can utilize inexpensive workspace and be able to network with other small businesses. An important suggestion was to develop advisory services on succession planning, something which should prove valuable to aging business owners looking toward retirement. Another prevailing theme was that Red Deer should somehow try to promote locally-owned small retailers over "big box" stores.

3.7   Findings on Downtown Revitalization

Challenge: An increasing number of Red Deer residents recognize the downtown as a core economic development driver, with a vibrant active downtown central to the long-term sustainable development of the city. The City's Greater Downtown Action Plan is but one component of what needs to be done to leverage this resource. Discussions with focus group participants revealed desires for more year-round activities, more housing options and more public amenities. Several barriers exist which may impede progress.

There are many rationales for maintaining or revitalizing a strong downtown, including:

- A city's downtown is often a symbol of community economic health, local quality of life, civic pride and community history; factors which influence residential, industrial, commercial, and professional recruitment.
- A vital downtown retains and creates jobs, which leads to a stronger tax base. Long-term revitalization establishes viable businesses that use public services and provide tax revenues to the community. This lessens the burden on local government and taxpayers.
- Downtowns are good incubators for new small businesses, the engines of a healthy economy. As strip centers and malls are often too expensive for new entrepreneurs, reasonably-priced downtown locations help create a strong business community.
- A vibrant downtown area reduces sprawl by concentrating development into smaller areas, thus using community resources such as infrastructure, tax dollars, and land more wisely.
- A healthy downtown core helps protect property values in surrounding neighbourhoods.
- The traditional commercial district is an ideal location for independent locally-owned businesses; such businesses help keep profits in town, sustain local families, support community projects such as sports teams and schools, and provide a local economic base.

- An active downtown provides an important civic forum where members of the community can congregate. Parades, celebrations and other special public events reinforce an intangible and enduring sense of community.

Generating significant feedback, focus group participants had many things to say about downtown Red Deer. The prevailing themes were to attract residents and businesses to downtown to make it more vibrant, safe and walkable. Participants warned that several things needed to be done to make this happen. First, the crime rate needed to be reduced to help people and businesses feel safer about being there. Next there needed to be attractions such as markets, restaurants and recreational activities to draw people in, especially in the evenings and over the winter. Several participants feared that there were too many zoning restrictions and "red tape" to make these changes happen. Lastly, some felt that the people of Red Deer themselves might be a barrier to a revitalized downtown, especially those who do not understand how higher density can be done well.

One aspect of revitalizing downtown is to encourage more people to live there. As of the 2011 Municipal Census only 6% of homes were downtown and most new construction has taken place in the Northwest and Southeast sub-areas of the city. Thus, current home building trends do not presently contribute toward the goal of a vibrant and active downtown.

Red Deer Sub Area	All Housing Types	Single Detached & Suites	Townhouse & Rowhouse	Multiplex & Semi-Detached	Apartment	Manufactured Homes	Other
Downtown	2,184	222	25	16	1,790	0	131
Downtown Fringe	5,046	2,726	549	508	1,239	0	24
Northwest	10,505	4,982	1,053	1,976	1,576	909	9
Northeast	3,286	2,183	257	442	362	11	31
Southwest	3,082	554	477	186	1,779	77	9
Southeast	14,521	10,651	1,041	1,437	1,211	173	8
Total Homes (2011)	38,624	21,318	3,402	4,565	7,957	1,170	212

Table 4: Red Deer Housing Concentration by Type and Sub-Area
Sources: City of Red Deer Municipal Census, Urbanics Consultants

Presently, 75% of Red Deer's office space is concentrated Downtown while the Southwest sub-area is a significant secondary location. Maintaining that fraction downtown will require an average of 35,000 sqft of office space built there annually.

4   Desired Outcomes

For each focus area, we summarize what outcomes for which the City might strive. These outcomes will guide the development of the strategies that can ultimately help the City achieve them.

Focus Area: Strategic Positioning

Desired Outcome: Red Deer will fully capitalize on its unique competitive advantages, especially its central location along the Red Deer Corridor. Red Deer will have a nationally-known identity, independent from those of Calgary and Edmonton, and assert its own brand. Red Deer will be known for who it is and what it can do.

Focus Area: Economic Diversification

Desired Outcome: Red Deer will have a rich and broadly diversified economy insulated from the booms and busts of the Albertan extraction industries. Red Deer will be known for its innovation-led small business economy as well as its ideal location for headquarters relocation. These successes will flow from an environment set up to foster sustainable economic growth.

Focus Area: Land Use

Desired Outcome: Red Deer will be well-regarded for its intelligent and conscientious approach to land use. Red Deer will be a vibrant, walkable, safe and fun city year-round. The City will provide land for new development as the economy needs it, with special attention paid to revitalizing the downtown core and supporting Red Deer industry. Red Deer will have a diverse, high-quality and affordable housing stock, appealing office space, plentiful shopping and sufficient industrial space, all while avoiding sprawl. Red Deer will set the standard for brownfield redevelopment and its Riverlands and Railyards districts will be exemplars of adaptive reuse. Other cities will continue to develop land banking strategies based on the Red Deer model.

Focus Area: Labour and Education

Desired Outcome: Red Deer has an effective and nimble workforce with a level of training perfectly suited to the demands of industry. The city does not need to be as reliant upon immigrant labor as it is able to train, retrain and retain its local workforce. Young residents see a future for themselves in Red Deer, so they finish high school and attend Red Deer College (or

perhaps one day soon, Red Deer University) or they enroll in one of the many skills training and apprenticeship programs that are available.

Focus Area: Small Businesses

Desired Outcome: Central to its rich and broadly diverse economy is Red Deer's small business ecosystem; not only does Red Deer have tremendous depth to its small business community, but the city also fosters an environment where people with great ideas can easily get the advice and funding they need to bring those ideas to fruition. Small businesses are assisted throughout their entire lifecycle: from incubator services for fledgling start-ups to succession services for retiring entrepreneurs. Immigrants, instead of being needed to fill labour shortages are instead free to launch their own businesses in Red Deer, helping to grow the local economy even further.

Focus Area: Downtown Revitalization

Desired Outcome: Red Deer will have a vibrant downtown that is active day and night, all year long. Downtown will continue to be home to most of Red Deer's office space, but also to an increasing number of residents and homeowners, ranging from single university students to families to empty-nesters. The streets will be alive with activities, cafes, shopping and people just getting together. Historic Downtown will be a point of pride as century-old heritage blends seamlessly into the modern era. The Greater Downtown Action Plan will be carried out and the prime riverfront properties will be bustling with people and activity, connecting the river to the Historic Downtown and helping to drive economic activity for the entire city.

5   Strategies

This chapter suggests more than 30 strategies to help Red Deer achieve its desired outcomes in the six focus areas described by the previous chapter.   For each we provide a brief background on what the strategy is intended to accomplish as well as a suggested course of action and success metrics.   Estimates of required resources are also included.   These represent base line estimated costs for implementing the identified strategies.

The first priority of implementation will be to identify priorities that can be done within existing City resources and within existing resources of the City's partners (e.g. Chamber of Commerce, Red Deer Airport, Central Alberta Access Prosperity and Red Deer Tourism). It should also be noted that the strategies should align with initiatives already being undertaken by other strategic partners so that duplication does not occur. Finally a determination needs to occur as to what strategies are a priority and will require additional funding resources These decisions would ultimately need to be approved by Council.

Several strategies are already underway and resources have been allocated to them. This includes but is not limited to Brownfield redevelopment of the downtown, Riverlands redevelopment, the Identity Charter, airport operations and industrial land development.   In addition we are aware that City partners are undertaking or are involved with implementing other strategies which would need to be identified. It should be noted that the actions suggested for each strategy are only examples of ways to approach them. None of the strategies discussed here are mandated nor is the City limited to these suggestions.

The designation of roles/champions and resources will be further explored in an Implementation Plan which is outside the scope of this strategy. A consultation process has been undertaken by The City of Red Deer to help determine the relative priority of each strategy and the results of this process may be seen in the Appendix.

It is important to remember that that few strategies are completely independent of other strategies, even those driving outcomes in other focus areas. The diagram below illustrates how interwoven the strategies and focus areas are with each other.
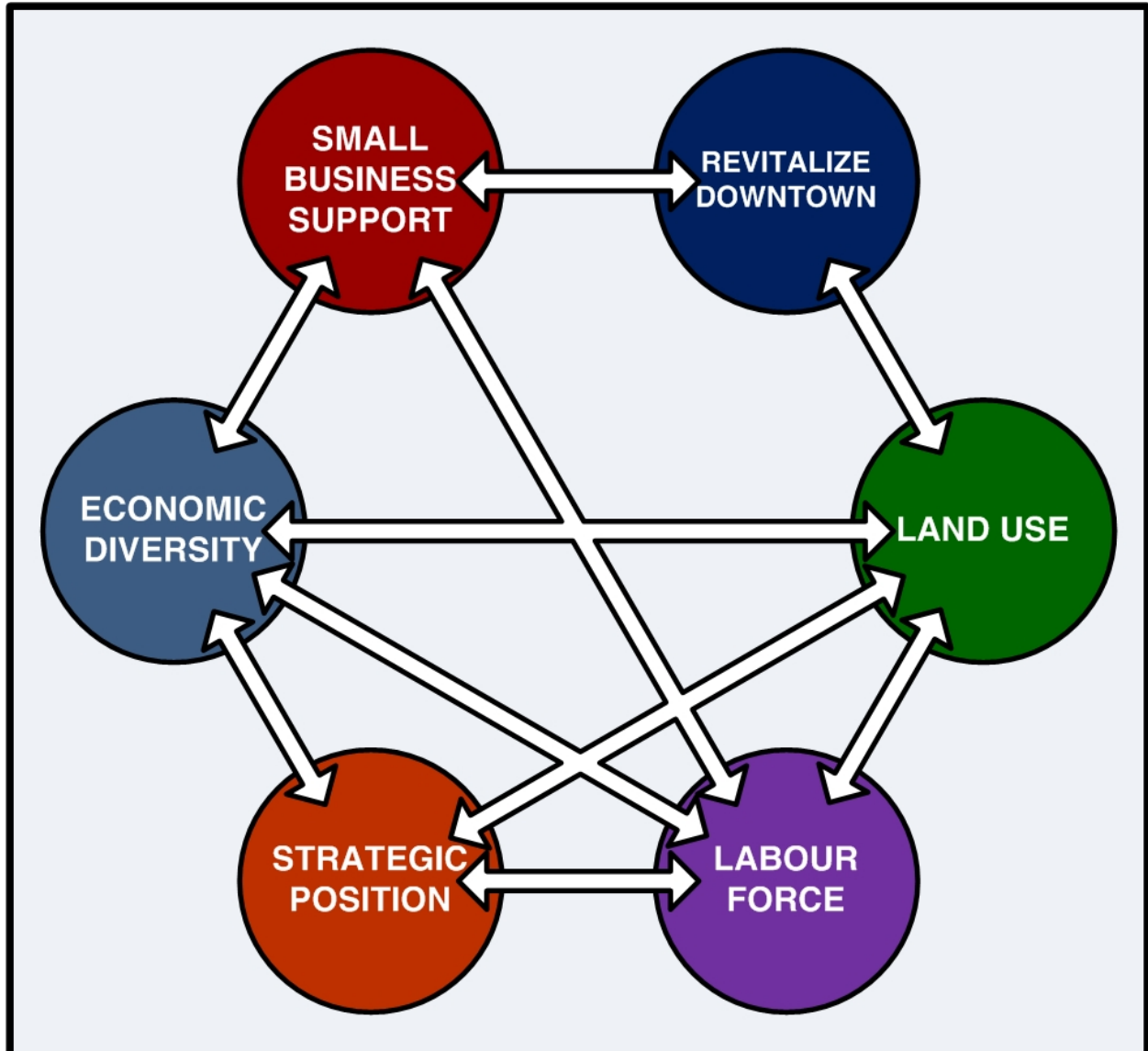
Figure 21: Interconnectedness of Strategies
Source: Urbanics Consultants

5.1 Strategic Positioning Strategies

5.1.1 Strategy A1: Capitalize on Red Deer's centralized location.

Details: The City of Red Deer should be marketed to industry as a business friendly and logistically beneficial location for new manufacturing, transportation, education and healthcare businesses. The City may need to dedicate staff to the purpose of conducting interviews with existing businesses and institutions as well as attending industry events and conferences. For example, Red Deer could consider branding itself the "Hub City of Alberta."

Impetus: Perhaps Red Deer's greatest competitive advantage is its geographic location with its ready access to transportation conduits, proximity to major cities and a reserve of potentially developable land. These advantages should be actively engaged through concerted effort.

Suggested Actions:

1. Develop or contract the development of marketing materials showcasing Red Deer's business-friendly policies, locational advantages and other amenities for businesses.
2. Schedule a calendar of events (conferences, trade shows, etc.) where the champion will be made accessible to members of business communities most likely to require Red Deer's advantages, such as logistics, oil and gas and corporations with shipping interests in Alberta. Leverage partners for assistance and guidance.
3. Monitor impact of activities and reevaluate annually.

Success Measures: Number of businesses attracted; marketing programs initiated.

Strategic Partners: Dept. of Communications and Strategic Planning; Red Deer Chamber of Commerce; Central Alberta Access Prosperity.

Estimated Average Annual Cost: $55,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy A1	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓	▓																		
Action Item 2		▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓		▓	▓	▓		▓
Action Item 3					▓				▓			▓			▓	▓		▓		▓

5.1.2 Strategy A2: Continue to develop a Red Deer identity and brand.

Details: The City of Red Deer itself should be marketed to Canadians as an ideal location for technical education, business and employment opportunities, and a great place to live with ample leisure activities and a good quality of life. The City may need to enlist the help of a professional branding and marketing firm to develop and launch this campaign. These activities should be performed in conjunction with the City's "Red Deer's Identity Project."

Impetus: Stemming from its 2012-2014 Strategic Direction planning process is the desire to develop a singular awareness of who Red Deer is. Establishing an identity and brand should prove important to attracting new residents, visitors and businesses. The perception of a lack of identity was also echoed in our focus groups.

Suggested Actions:

1. Assess the progress of the Identity Project and develop supplemental programming.
2. Determine the demographic profiles of those Red Deer wishes to attract and target those locations where the sought-after demographic might be found. Also consider targeting cities with higher than average rates of unemployment where people may be more receptive to relocating.
3. Develop or contract the development of marketing materials showcasing Red Deer's job prospects, recreational activities, and other amenities for residents.
4. Launch media campaign in these target markets. This may require traditional media advertising efforts as well as an active social media presence.
5. Monitor impact of activities and reevaluate annually.

Success Measures: Depth of market penetration; number of businesses, workers, students, and tourists attracted to the city (as measured by municipal census and hotel surveys).

Strategic Partners: Dept. of Communications and Strategic Planning; Red Deer Chamber of Commerce; Central Alberta Access Prosperity; Tourism Red Deer; Downtown Business Association.

Estimated Average Cost: $80,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy A2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1		■																		
Action Item 2		■	■																	
Action Item 3				■																
Action Item 4					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Action Item 5							■				■			■					■	

5.1.3 Strategy A3: Maximize the benefits from Red Deer Airport (YQF).

Details: Examine more closely the reasons for the many charter flights from YQF; they may indicate opportunities for additional regular services. The City will need to work with the Airport as well as the business community to determine how to better use the airport as an economic development tool. Explore the benefits of cargo traffic as well as customs clearing.

Impetus: Red Deer Airport has become the busiest regional airport in the province, with thousands of charter flights every year. This is indicative of significant economic activity that Red Deer might be able to capitalize upon. If the airport proves itself to be a driver of increased economic activity in its own right then efforts should be made to harness that power.

Suggested Actions:
1. Continue to support key leadership positions at YQF to spearhead this effort.
2. Work with YQF to assess the needs of travelers and carriers using the airport, determine whether opportunities for expanded operations exist.
3. Survey members of the Chamber of Commerce and other business associations on how the airport might be further utilized.
4. Survey members of the Transportation Association of Canada to see where certain logistical pain-points exist and consider how YQF might alleviate them.
5. Based upon the results, meet with stakeholders to brainstorm implementation strategies.
6. Work with YQF and other stakeholders to devise suitable metrics and benchmarks.

Success Measures: Increased passenger and cargo flight traffic.

Strategic Partners: Red Deer Airport; Transportation Association of Canada; Central Alberta Access Prosperity, Chamber of Commerce

Estimated Average Annual Cost: TBD

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy A3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓																			
Action Item 2		▓	▓																	
Action Item 3			▓																	
Action Item 4			▓	▓																
Action Item 5					▓	▓														

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5.2   Economic Diversification Strategies

5.2.1   Strategy B1: Promote growth of creativity and knowledge-based businesses.

<u>Details:</u> Develop incentives for the creation and growth of knowledge-intensive businesses in healthcare, science, logistics and agribusiness. Sample incentives are discussed in Appendix E.

<u>Impetus:</u> Red Deer's economy is largely dependent, either directly or indirectly, upon the various resource extraction industries, in which employment can fluctuate with commodities prices or with shifts in the broader economy. To reduce the effects of these shocks, Red Deer should work to diversify its economy and employment base. Some sectors such as healthcare and education are often resistant to the ill effects of economic cycles.

<u>Suggested Actions:</u>

1. Develop business cases and assess viability of growing knowledge-based businesses.
2. Interview individuals knowledgeable on these businesses on what cities like Red Deer can do to create an environment attractive to knowledge-based businesses.
3. Review policies and available incentives to see where there is a match between what Red Deer can offer and what such companies are looking for.
4. Advertise and/or generate visibility for what Red Deer can offer in venues likely to be seen by decision makers from knowledge-based businesses (such as entrepreneurial events, start-up events, trade shows, industry publications, etc.)
5. Monitor impact of activities and reevaluate annually.

<u>Success Measures:</u> Revenue and headcount growth of existing knowledge-based businesses; number of knowledge-based businesses founded.

<u>Strategic Partners</u>: Alberta Innovates; Chamber of Commerce, Inspections and Licensing.

<u>Estimated Average Annual Cost</u>: $18,000

<u>Priority</u>: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy B1	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	█																			
Action Item 2		█	█																	
Action Item 3				█																
Action Item 4					█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Action Item 5							█				█				█				█	

5.2.2   Strategy B2: Unlock the full potential of road, rail and air transportation networks.

Details: This includes encouraging local warehousing, storage and distribution companies, attracting manufacturing and distribution centers for larger companies and exploring the feasibility of Red Deer as a rail and air cargo hub. Work towards attracting more national passenger and freight carriers to the region, in addition to the regional carriers. Capture air traffic that traditionally uses Calgary and Edmonton.

Impetus: Given Red Deer's prime location and access to all manners of transportation, logistics should be one of the city's competitive advantages and key industries. Surprisingly, Red Deer has a smaller fraction of its labour force employed in these industries than does the province or Canada as a whole, which leads us to conclude that much more can be done to leverage this potential.

Suggested Actions:

1. Develop business cases and assess the viability of growing logistics-based businesses.
2. Interview individuals knowledgeable of this industry on what cities like Red Deer can do to create an environment attractive for utilizing Red Deer's transportation resources.
3. Review policies and available incentives to see where there is a match between what Red Deer can offer and what such companies are looking for.
4. Advertise and/or generate visibility for what Red Deer can offer in venues likely to be seen by decision makers from those industries (trade shows, industry publications, etc.).
5. Monitor impact of activities and reevaluate annually.

Success Measures: Number of additional flights from national carriers through YQF; Freight tonnage through Red Deer.

Strategic Partners: Red Deer Airport; Transportation Association of Canada; Central Alberta Access Prosperity.

Estimated Average Annual Cost: $18,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy B2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■	■																		
Action Item 2		■	■																	
Action Item 3				■																
Action Item 4					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Action Item 5							■					■				■				■

5.2.3 Strategy B3: Attract corporate head offices.

Details: The City of Red Deer should develop incentives that can attract midsize to large corporate headquarters to relocate. The City will need to not only make its initiatives known to the broader business community, but also identify exemplar companies that can make full use of Red Deer's competitive advantages. Firms fitting this profile are those with (or seeking) a presence in both Calgary and Edmonton as well as those with large-scale distribution needs. Sample incentives are discussed in Appendix E.

Impetus: Attracting existing companies and their head offices would serve to reinforce other strategies centered on making the most of Red Deer's competitive advantages. Companies relocating for reasons unique to Red Deer would greatly validate the city's value proposition.

Suggested Actions:

1. Identify several companies fitting the type of business that would be ideally suited for being headquartered in Red Deer. (such as firms with operations in both Calgary and Edmonton, firms that need ready access to warehousing and transportation conduits)
2. Interview key individuals from those companies on what cities like Red Deer can do to create an environment attractive to relocating their businesses.
3. Review policies and available incentives to see where there is a match between what Red Deer can offer and what such companies are looking for
4. Advertise and/or generate visibility for what Red Deer can offer in venues likely to be seen by decision makers from those industries (such as trade shows, industry publications, etc.)
5. Monitor impact of activities and reevaluate annually.

Success Measures: Number of companies relocated.

Strategic Partners: Central Alberta Access Prosperity;

Estimated Average Annual Cost: $18,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy B3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓	▓																		
Action Item 2		▓	▓																	
Action Item 3				▓																
Action Item 4					▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓
Action Item 5							▓				▓				▓				▓	

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5.2.4   **Strategy B4: Build on existing strengths within the oil and gas sector.**

Details: Red Deer should encourage "spinoff" manufacturing industries and services, such as high tech oil and geotechnical industries, that can be exported from the region. Other such spinoffs could include expertise in fracking, or high-pressure valves and pipes.

Impetus: Red Deer's economy is largely dependent, either directly or indirectly, upon the various resource extraction industries, in which employment can fluctuate with commodities prices or with the broader economy. While spinoff industries would still be impacted by oil and gas prices, they may yet be able to export globally and thus be more insulated from the local economy.

Suggested Actions:

1. Develop business cases and assess the viability of growing early stage start-up firms providing services to the oil and gas sector (such as Stantec, and faculty at the Universities of Calgary and Edmonton)
2. Interview individuals knowledgeable of this industry on what cities like Red Deer can do to create an environment attractive to this industry for locating (or relocating) their businesses.
3. Review policies and available incentives to see where there is a match between what Red Deer can offer and what such companies are looking for
4. Advertise and/or generate visibility for what Red Deer can offer in venues likely to be seen by decision makers from those industries (such as oil and gas industry associations, trade shows, industry publications, etc.)
5. Monitor impact of activities and reevaluate annually.

Success Measures: Number of new companies formed and/or jobs created.

Strategic Partners: Red Deer College, Alberta Enterprise & Advanced Education; University of Alberta; University of Calgary.

Estimated Average Annual Cost: $18,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy B4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1		■																		
Action Item 2		■	■																	
Action Item 3				■																
Action Item 4					■	■	■	■	■											
Action Item 5							■				■				■				■	

5.2.5 Strategy B5: Promote "green" technology companies.

<u>Details:</u> The City of Red Deer should incentivize or promote firms engaged in clean/renewable energy (solar, wind, river, biomass, biodiesel), green construction techniques, recycling, water filtration and waste management technologies. The City should explore the opportunities available in these green technologies and attracting these businesses through a combination of incentives, grants and business-friendly policies.

<u>Impetus:</u> Red Deer's economy is largely dependent, either directly or indirectly, upon the various resource extraction industries, in which employment can fluctuate with commodities prices or with the broader economy. Also, green technologies may be exportable to a global market.

<u>Suggested Actions:</u>

1. Develop business cases and assess the viability of growing early stage "green" start-up firms (perhaps with the assistance of faculty working with the Universities of Calgary and Edmonton and Red Deer College)
2. Interview individuals knowledgeable of this industry on what cities like Red Deer can do to create an environment attractive for locating (or relocating) businesses in the city or to develop new ventures.
3. Review policies and available incentives to see where there is a match between what Red Deer can offer and what such companies are looking for.
4. Advertise and/or generate visibility for what Red Deer can offer in venues likely to be seen by decision makers from those industries (such as entrepreneurial events, start-up events, trade shows, industry publications, etc.)
5. Monitor impact of activities and reevaluate annually.

<u>Success Measures:</u> Number of companies formed or attracted and/or jobs created.

<u>Strategic Partners</u>: Alberta Innovates; University of Calgary; University of Alberta; Red Deer College; Alberta Enterprise & Advanced Education

<u>Estimated Average Annual Cost</u>: $18,000

<u>Priority</u>: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy B5	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▪																			
Action Item 2		▪	▪																	
Action Item 3				▪																
Action Item 4					▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪
Action Item 5							▪				▪				▪				▪	

5.2.6   Strategy B6: Promote and expand agribusiness.

<u>Details:</u> The City should explore and promote niche or value added products or services that can be developed by the local agriculture industry. Red Deer can consult with representatives from the industry as well as collaborate with educational institutions such as Red Deer College and Olds College as well as other Alberta universities to identify niche agricultural products.

<u>Impetus:</u> Another locational benefit enjoyed by Red Deer is that it is proximate to centers of agricultural expertise and abundant cropland. Red Deer could leverage these strengths to facilitate the growth of new agribusiness ventures. Similar to green technologies, the products of agribusiness may be exportable to a larger market.

<u>Suggested Actions:</u>

1. Develop business cases and assess the viability of growing early stage agribusiness firms (perhaps with the assistance of faculty at the Universities of Calgary and Edmonton, Red Deer College and Olds College, as well as Olymel and Permolex).
2. Interview individuals knowledgeable of agribusiness on what cities like Red Deer can do to create an environment conducive to growing or attracting such business.
3. Review policies and available incentives to see where there is a match between what Red Deer can offer and what such companies are looking for.
4. Advertise and/or generate visibility for what Red Deer can offer in venues likely to be seen by decision makers from those industries (such as entrepreneurial events, start-up events, trade shows, industry publications, etc.).

Monitor impact of activities and reevaluate annually.

<u>Success Measures:</u> Number of new jobs added in the agriculture sector.

<u>Strategic Partners</u>: Red Deer College; Olds College; Univ. of Alberta; Univ. of Calgary; Alberta Agriculture & Rural Development; Red Deer County; Chamber of Commerce; Westerner Park

<u>Estimated Average Annual Cost</u>: $18,000

<u>Priority</u>: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy B6	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■	■																		
Action Item 2			■																	
Action Item 3				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Action Item 4						■				■				■				■		

5.3 Land Use Strategies

5.3.1 Strategy C1: Monitor demand for commercial space and industrial land.

Details: The City should monitor commercial and industrial real estate markets to ensure that businesses have the space they need to form and grow. Maintaining relationships with business leaders as well as the local brokerage community should help to keep the City aware of the market's needs. The City should also conduct long range land use studies at least every 5 years to adapt to economic developments.

Impetus: With its land banking activities, The City of Red Deer plays an important role in supplying land for commercial and industrial use. As such, the City should continue to stay up to date on the land use needs of the business community.

Suggested Actions:

1. Set internal targets and benchmarks for vacancy rates and rents.
2. Meet or speak with members of the business community and real estate brokers perhaps once per quarter to assess how well the needs for commercial and industrial lands are being met in the marketplace.
3. Periodically survey members of the Chamber of Commerce and other business associations on how well their land needs are being met.
4. Acquire and release land bank lands as needs arise.
5. Monitor progress quarterly. Reassess this strategy at least every five years.

Success Measures: This success of this strategy will be somewhat subjective as rents and vacancy rates may not reveal the full picture. Rather the City will need to solicit opinions from the brokerage and business communities to assess how well their needs are being met, perhaps quantifying results through surveys.

Strategic Partners: Chamber of Commerce; Commercial and Industrial Real Estate Brokers.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy C1	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1																				
Action Item 2																				
Action Item 3																				
Action Item 4																				
Action Item 5																				

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5.3.2   Strategy C2: Ensure new housing is aligned with vision and guiding principles.

Details: The City should use its authority to guide the quantity, location and types of housing built in Red Deer, not only to meet demand, but also to achieve the goals defined in the Municipal Development Plan. The City should also re-assess residential supply and demand characteristics on a regular basis, perhaps every 3-5 years. Because the City's land bank will play an important role in facilitating or initiating such development, the City should continue to acquire and release land bank lands.

Impetus: The City has stated goals of building a more vibrant and walkable city, which typically entails more higher-density housing. The housing built over the past ten years, however, has largely been at odds with these goals, favoring single detached homes in the city's periphery. The City will need to guide new housing development to achieve its goals of unique, pedestrian-friendly communities with a diversity of housing types and price points.

Suggested Actions:

1. Set internal targets and benchmarks for numbers of units, housing types and geographic locations which align with other City goals.
2. Use the zoning and permit approval process to guide home development.
3. Meet or speak with private land developers and real estate brokers perhaps twice per year to assess how well the City's housing strategies are being accepted by the marketplace and whether additional incentives need to be created.
4. Assess market conditions annually and, if financially prudent, develop land bank properties in accordance with the City's vision and guiding principles.
5. Monitor progress quarterly. Reassess this strategy at least every five years.

Success Measures: Number of dwelling units; number of housing completions; number of units and share of total housing located downtown; Rent affordability; Vacancy rates; Assessments.

Strategic Partners: Dept. of Planning; Dept. of Social Planning; Private Home Developers.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy C2	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
Action Item 1	■	■																		
Action Item 2			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Action Item 3					■		■		■		■		■		■		■		■	
Action Item 4						■					■				■				■	
Action Item 5					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

5.3.3 Strategy C3: Explore retail options along Gaetz Avenue, especially downtown.

Details: The City should guide the placement of new retail space so that a greater share of retail is located downtown. Specifically, of the 149,000 square feet of annual retail growth over the next 10 years, about 45,000 square feet should be placed downtown per year. This includes an annual average of 30,000 square feet of "Department Store Type Merchandise" to be located downtown. The City's land bank can also be utilized if it owns land suitable for retail. The City should also regularly re-assess the market for retail space, perhaps every 3-5 years.

Impetus: The City wishes to ensure that enough retail space is available to meet demand while at the same time develop and leverage downtown as an important economic engine. Increased retail space downtown should increase downtown activity and drive citywide economic activity.

Suggested Actions:

1. Set internal targets and benchmarks for retail space inventory and vacancy, though we feel that the amounts suggested above would suit the city well.
2. Use the zoning and permit approval process to guide retail and mixed-use development.
3. Meet or speak with private land developers and real estate brokers perhaps twice per year to assess how well the City's retail space strategies are being accepted by the marketplace and whether additional incentives need to be created.
4. Monitor progress quarterly. Reassess this strategy at least every five years

Success Measures: Number of stores opened along Gaetz, especially downtown; Number of jobs added at these stores; Levels of pedestrian traffic downtown and along Gaetz; Crime rates.

Strategic Partners: Dept. of Planning; Dept. of Social Planning; Tourism Red Deer; Red Deer RCMP; Private Commercial Developers; National and local Retailers; Red Deer Chamber of Commerce; Red Deer Downtown Business Association; Local Commercial Real Estate Brokers.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy C3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■	■																		
Action Item 2			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Action Item 3				■		■		■		■		■		■		■		■		■
Action Item 4				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

5.3.4 Strategy C4: Continue to support downtown as the city's primary office location.

Details: The City should continue its policy of concentrating much of the office space downtown. As such, the City should guide development such that an average of 40,000 square feet of office space is added every year with 30,000 square feet of that total located downtown. The City should also work with local business leaders as well as the brokerage community to assess how well the market is meeting their needs for office space as well as how well downtown spaces work for them. These opinions could be quantified through the use of surveys. The City's land bank can also be utilized if it owns land suitable for office space.

Impetus: The City wishes to ensure that enough office space is available to meet demand while at the same time develop and leverage downtown as an important economic engine. Increased office space downtown should increase downtown activity and drive citywide economic activity.

Suggested Actions:

1. Set internal targets and benchmarks for office space inventory and vacancy, though we feel that the amounts suggested above would suit the city well.
2. Use the zoning and permit approval process to guide commercial/office development
3. Meet or speak with real estate brokers perhaps twice per year as well as survey downtown office tenants to assess how well the City's office space strategies are being accepted by the marketplace and whether additional incentives are needed.
4. Monitor progress quarterly. Reassess this strategy at least every five years.

Success Measures: Square footage of office space in use downtown and throughout the city; Levels of pedestrian traffic downtown; Office rents and vacancies.

Strategic Partners: Dept. of Planning; Red Deer Chamber of Commerce; Local Commercial Real Estate Brokers.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy C4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	░	░																		
Action Item 2			░	░	░	░	░	░	░	░	░	░	░	░	░	░	░	░	░	░
Action Item 3					░		░		░		░		░		░		░		░	
Action Item 4					░	░	░	░	░	░	░	░	░	░	░	░	░	░	░	░

5.3.5 Strategy C5: Continue to ensure sufficient supply of serviced industrial land.

Details: Related the Strategy C1, the City should ensure that that roughly 45 acres of serviced industrial land are made available every year, or as much as necessary for growth. The City should also re-assess industrial supply and demand characteristics on a regular basis, perhaps every 3-5 years. The City should speak periodically with local business leaders as well as the brokerage community to assess how well their needs for industrial space are being met. These opinions could be quantified through the use of surveys.

Impetus: With its land banking activities, The City of Red Deer plays an important role in supplying land for commercial and industrial use. As such, the City should continue to stay up to date on the land use needs of the business community.

Suggested Actions:

1. Set internal targets and benchmarks for acreage of serviced industrial lands, though we feel that the amounts suggested above would suit the city well.
2. Meet or speak with members of the business community and real estate brokers perhaps once per quarter to assess how well the needs for industrial lands are being met in the marketplace and whether additional incentives need to be created. .
3. Periodically survey members of the Chamber of Commerce and other business associations on how well their land needs are being met
4. Assess market conditions annually and, if financially prudent, develop land bank properties to ensure enough land is available for industrial purposes.
5. Reassess this strategy at least every five years

Success Measures: Industrial acreage in use; Number of jobs created; Increases in assessments due to new developments.

Strategic Partners: Dept. of Planning; Dept. of Engineering Services; Red Deer Chamber of Commerce; Local Industrial Real Estate Brokers.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

Task Implementation	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy C5	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	X	X																		
Action Item 2			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Action Item 3			X			X				X				X				X		
Action Item 4			X			X				X				X				X		
Action Item 5										X									X	

5.3.6   Strategy C6: Promote greater housing stock and diversity of housing.

Details: The City should provide incentives for more mid-high density housing in the downtown area as well as more semi-attached homes and townhouses. More purpose-built rental units are also needed. Because the City's land bank will play an important role in facilitating or initiating such development, the City should continue to acquire and release land bank lands.

Impetus: The City has stated goals of building a more vibrant and walkable city, which typically entails more higher-density housing. The housing built over the past ten years, however, has largely been at odds with these goals, favoring single detached homes in the city's periphery. The City will need to guide new housing development to achieve its goals of unique, pedestrian-friendly communities with a diversity of housing types and price points.

Suggested Actions:

1. Set internal targets and benchmarks for numbers of units, housing types and geographic locations which align with other City goals, though we feel that the amounts suggested above would suit the city well.
2. Use the zoning and permit approval process to guide home development.
3. Meet or speak with private land developers and real estate brokers perhaps once per quarter to assess how well the City's housing strategies are being accepted by the marketplace and whether additional incentives need to be created.
4. Assess market conditions annually and, if financially prudent, develop land bank properties in accordance with the City's vision and guiding principles.
5. Monitor progress quarterly. Reassess this strategy at least every five years

Success Measures: Number of dwelling units by housing type; number of housing completions; number of units and share of total housing located downtown; Number of rental units; Rent affordability; Vacancy rates; Assessments.

Strategic Partners: Dept. of Planning; Private Sector Home Developers.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

Strategy C6	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■	■																		
Action Item 2			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Action Item 3				■		■		■		■		■		■		■		■		■
Action Item 4					■				■				■				■			
Action Item 5					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

5.3.7   Strategy C7: Leverage brownfields for higher-density infill developments.

Details: The City already owns several brownfield sites in its land bank, but may need to create incentives for private brownfield site owners to remediate their contaminated properties (especially those in the Riverlands and Railyards districts). To ease regulatory and legal liabilities, the City could explore the possibility of paying into an insurance policy to cover any potential long-term contamination issues post-remediation. The City may also seek the guidance of Alberta Environment on how future liabilities associated with these sites might be adjudicated in the future should redevelopment happen.

Impetus: Several brownfield sites are located in key redevelopment areas, namely the Riverlands and Railyards districts. Private owners of such sites, however, find the regulatory and legal liabilities, not to mention the expense, of remediation to be significant disincentives to any activity aside from simple containment, resulting in underutilized land. Remediating and redeveloping these lands is vital for the City to realize its vision of Riverlands as a higher-density mixed-use community.

Suggested Actions:

1. Consult with legal department and meet with provincial authorities to devise a legal framework for removing the barriers to redeveloping brownfield lands.
2. Create incentives within this legal framework that would attract owners of brownfield lands to remediate their properties.
3. Consult with remediation professionals on the rehabilitation of contaminated lands.
4. Assess area redevelopment annually and, if financially prudent, develop City-owned brownfield sites in accordance with the Greater Downtown Action Plan.
5. Monitor results annually and reassess strategy every 2-5 years.

Success Measures: Brownfield acreage remediated and redeveloped.

Strategic Partners: Private brownfield site owners; Dept. of Engineering Services; Dept. of Environmental Services; Alberta Environment; Alberta Economic Development Authority.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

Strategy C7	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Action Item 1	■	■	■	■																
Action Item 2					■	■														
Action Item 3						■	■	■	■	■	■		■	■	■		■			
Action Item 4							■			■			■				■			
Action Item 5									■				■				■			

5.4 Labour and Education Strategies

5.4.1 Strategy D1: Promote efforts to train and retrain the local workforce.

<u>Details:</u> The City should support and collaborate with Red Deer College and other regional institutions in their efforts to enable students of all ages to gain the skills demanded by current and emerging industries. Specifically this may include facilitating tuition assistance and training programs in the energy sector, agri-business, clean tech and renewable energy as well as professional and technical services. The institutions involved in this initiative should regularly solicit input from local industry to gauge its efficacy as well as guide future development. This could manifest as a collection of small programs ranging up to the establishment of a "Central Alberta Institute of Technology" equal to its Calgary and Edmonton siblings.

<u>Impetus:</u> A recurring theme from focus group discussions was the lack of appropriately-trained labour available to local industry. The City can play a role facilitating the efforts of its partners.

<u>Suggested Actions:</u>

1. Collaborate with an external champion (likely from Red Deer College) in their efforts to spearhead these educational initiatives.
2. Consult with members of the business community as well as representatives from local high schools and post-secondary institutions to assess gaps between available training programs and the needs of local industry.
3. Create incentives for post-secondary institutions and/or private providers to develop and run job training programs aligned with the evolving needs of local industry.
4. Work with business and educational partners to recruit and graduate students into programs and ultimately into jobs.
5. Monitor results annually and reassess strategy every 3-5 years.

<u>Success Measures:</u> Number of students enrolled; Number of training programs offered; Number of local workers employed; Dollar-value of assistance received from city and other governmental sources as well as private donations.

<u>Strategic Partners</u>: Red Deer College; Olds College; Chamber of Commerce; Central Alberta Access Prosperity; Alberta Enterprise and Advanced Education.

<u>Estimated Average Annual Cost</u>: $12,500

<u>Priority</u>: TBD (High/Medium/Low)

Strategy D1	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓																			
Action Item 2		▓	▓																	
Action Item 3				▓	▓	▓														
Action Item 4						▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓		
Action Item 5								▓				▓				▓				

5.4.2 Strategy D2: Support efforts to increase the high school completion rate.

Details: The City should support the Red Deer Public School Boards' new District Education Plan which seeks to address the issue of high school completion rates. The City should work closely with the school district to monitor the plan's implementation and results. The City should facilitate connections between the school district and post-secondary educational institutions as well as local industry.

Impetus: High school completion rates are used to gauge workforce competiveness, but more importantly, the more Red Deer students graduate high school, the greater their opportunities will be, even if they do not pursue any further academic training. The City can play a role facilitating the efforts of its partners in bolstering completion rates.

Suggested Actions:

1. Collaborate with an external champion (likely from one of the School Boards) in their efforts to spearhead these educational initiatives.
2. Liaise with the school boards to discuss programs the City may be able to coordinate to support the schools in meeting their completion rate goals.
3. Work with the business community to privately fund scholarships for job training programs based upon high school completion.
4. Work with business and educational partners to engage high school students and help them understand the options and choices they have working in Red Deer.
5. Monitor results annually and reassess strategy every 3-5 years

Success Measures: High school completion rate; Expulsion rates; Attendance rates.

Strategic Partners: Red Deer Public School Boards; Red Deer Chamber of Commerce; Red Deer College.

Estimated Average Annual Cost: $12,500

Priority: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy D2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓																			
Action Item 2		▓	▓																	
Action Item 3				▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓
Action Item 4				▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓
Action Item 5		▓				▓				▓				▓				▓		

5.4.3 Strategy D4: Attract immigrant entrepreneurs to Red Deer.

<u>Details:</u> The City should work with Immigration Canada as well as the Government of Alberta to communicate to prospective immigrants the ease of starting a business in Red Deer. The City should consider devoting or facilitating resources for mentoring and advising immigrants on their businesses as well as provide a "one stop shop" for streamlining administrative minutiae. This could simply be a function of the "Centre for Business Success" recommended in Strategies E1, E2, and E3.

<u>Impetus:</u> In conjunction with creating economic diversification through the formation and growth of small businesses is an endeavour to attract immigrant entrepreneurs who are willing to locate and do business in Red Deer. The City is highly regarded as a good place for business as well as a great place to raise a family, a perfect combination for an entrepreneurial newcomer. The City can play a role facilitating the efforts of its partners in attracting immigrant entrepreneurs.

<u>Suggested Actions:</u>

1. Work with Citizenship and Immigration Canada and the Government of Alberta to entice immigrant entrepreneurs to set up shop in Red Deer.
2. Coordinate efforts with Chamber of Commerce and determine what role the City may play in their initiatives.
3. Monitor results annually and reassess strategy every 3-5 years

<u>Success Measures:</u> Number of businesses established; number of new jobs created.

<u>Strategic Partners</u>: Citizenship and Immigration Canada; Government of Alberta; Red Deer Business Advisory Network; Chamber of Commerce.

<u>Estimated Average Annual Cost</u>: $12,500

<u>Priority</u>: TBD (High/Medium/Low)

Strategy D4	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■	■	■	■																
Action Item 2	■		■		■		■		■		■		■		■		■		■	
Action Item 3									■										■	

5.4.4   Strategy D5: Attract more workers to Red Deer.

<u>Details:</u>   The City should facilitate connections between local industries and the provincial agencies responsible for promoting employment and immigration. The City may also choose to lobby for immigration reforms to help local business hire the workers they need.

<u>Impetus:</u> Local businesses commonly complain that they cannot find the workers they need in Red Deer. While efforts should be made to shape the existing workforce to fit the needs of local business there also needs to be a strategy to increase the number of available workers. The City can play a role facilitating the efforts of its provincial partners.

<u>Suggested Actions:</u>

1. Work with the Chamber of Commerce to explore whether there is a role for the City in this effort. This may include advertising campaigns and job fairs targeted at cities across Canada with higher unemployment rates.

<u>Success Measures:</u> Number of skilled and unskilled workers attracted through these efforts.

<u>Strategic Partners</u>: Chamber of Commerce, Alberta Human Resources; Alberta Enterprise and Advanced Education.

<u>Estimated Average Annual Cost</u>: $12,500

<u>Priority</u>: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy D5	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1																				

5.5 Small Business Strategies

5.5.1 Strategy E1: Develop or support small-business mentoring and advisory services

Details: Establish a "Centre for Small Business Success" where start-ups and other small businesses may receive or be connected to advisory services and mentorship. The City may wish to partner with external organizations and merely oversee this project instead of running it themselves. Such advisory services could include business modeling, marketing, finance and human resources, among others. While Community Futures Central Alberta may perform some of these functions, it may yet benefit The City of Red Deer to be (or arrange) a local facilitator.

Impetus: Starting or growing a small business is risky and challenging; mentorship would help.

Suggested Actions:

1. Create the "Centre for Small Business Success" which may be a dedicated person located within City office space or merely a web presence.

2. Survey small business owners in Red Deer to see what aspects of their business they would be most interested in developing further (accounting, finance, marketing, staffing, etc.)

3. Decide where there might be overlap with other services such as Community Futures Central Alberta and decide whether it is best to be a "local source" for such services.

4. Build a list of qualified local consultants in those fields covered by this service who would be willing to work with other local businesses.

5. Monitor results quarterly and reassess strategy annually.

Success Measures: Number of businesses utilizing the service; Other measures to be devised and quantified internally.

Strategic Partners: Red Deer Chamber of Commerce; Central Alberta Access Prosperity; Alberta Innovates; Inspection and Licensing; Community Futures.

Estimated Average Annual Cost: $8,000

Priority: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy E1	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	░	░																		
Action Item 2			░				░				░				░				░	
Action Item 3			░				░				░				░				░	
Action Item 4			░				░				░				░				░	
Action Item 5						░				░				░				░		

5.5.2 Strategy E2: Develop succession planning services for retiring business owners

<u>Details</u>: Establish a "Centre for Small Business Success" where retiring business owners may be connected with entrepreneurs or investors looking to take over the established business. The City may wish to partner with external organizations and merely oversee this project instead of running it themselves.

<u>Impetus:</u> As important as the creation of new businesses is the preservation of established and successful enterprises. Often an entrepreneur will have no family members willing to take over the business when he or she retries, even if the business has been successful. A pathway to connect retiring entrepreneurs with investors or other entrepreneurs would help keep these businesses running and (potentially) employing Red Deer workers.

<u>Suggested Actions:</u>

1. Create the "Centre for Small Business Success" which may be a dedicated person located within City office space or merely a web presence.
2. Build a list of legal and financial professionals who would be willing to help retiring business owners develop succession or exit strategies.
3. Facilitate the connections between small businesses and these professionals, either using dedicated staff manning a "hotline" or a desk at city hall, or simply by maintaining a website with consultant contact information and areas of expertise.
4. Monitor results quarterly and reassess strategy annually.

<u>Success Measures</u>: Number of businesses utilizing the service; Number of businesses "saved."

<u>Strategic Partners</u>: Inspection and Licensing; Red Deer Chamber of Commerce; Central Alberta Access Prosperity; Alberta Innovates; Local banks; Community Futures.

<u>Estimated Average Annual Cost</u>: $8,000

<u>Priority</u>: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy E2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓	▓																		
Action Item 2			▓		▓				▓				▓				▓			
Action Item 3			▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓
Action Item 4				▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓

5.5.3 Strategy E3: Streamline process to establish businesses.

Details: Establish a "Centre for Small Business Success" where residents interested in starting a new business can enjoy streamlined application processing, well defined timeframes for approvals and mentoring. Entrepreneurs would be guided through all the required steps of getting a business legally and officially established. As with the small business strategies above, the City may wish to partner with external organizations and merely oversee this project instead of running it themselves.

Impetus: Making it broadly known how easily one can set up a legal business entity would help some would-be entrepreneurs overcome early barriers to entry. Having someone available to assist with questions or processes would also be of benefit to fledgling companies.

Suggested Actions:

1. Create the "Centre for Small Business Success" which may be a dedicated person located within City office space or merely a web presence.
2. Ensure that all required forms are to be found in the same place online as well as thorough instructions for every step.
3. Assess and remove any non-essential bottlenecks in the licensing process.
4. Monitor results quarterly and reassess strategy annually.

Success Measures: Number of entrepreneurs utilizing the service; Number of days required to traverse the business creation process; Other measures to be devised and quantified internally.

Strategic Partners: Red Deer Chamber of Commerce; Central Alberta Access Prosperity; Inspection and Licensing; Local banks.

Estimated Average Annual Cost: $8,000

Priority: TBD (High/Medium/Low)

Strategy E3	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▪	▪																		
Action Item 2			▪																	
Action Item 3				▪																
Action Item 4					▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪

5.5.4 Strategy E4: Identify and promote most effective job creators (the "gazelles")

<u>Details</u>: The City should monitor its small business community to identify so-called "gazelles," or small businesses that display significant growth in revenue and headcount quickly. Once identified, the City should nurture these organizations; to not only help them grow but to keep them in Red Deer.

<u>Impetus:</u> While every city hopes a gazelle of two will emerge from their small business communities, they are actually relatively rare. Nonetheless, when they do appear they can be a tremendous and energizing economic force within a community. Keeping a watchful eye for such occurrences would help Red Deer identify them sooner than later.

<u>Suggested Actions:</u>

1. Periodically meet with the business community to learn of any new business "gazelles" that have emerged. Meet with key personnel of these companies and determine what the City can do to remove any obstacles for growth.
2. Periodically monitor permit activity from established businesses.

<u>Success Measures</u>: Since success is foremost predicated upon gazelles existing in the first place, the City can simply do its best to notice gazelles when they first begin their growth phase.

<u>Strategic Partners</u>: Red Deer Chamber of Commerce; Central Alberta Access Prosperity

<u>Estimated Average Annual Cost</u>: $2,000

<u>Priority</u>: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy E4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■				■				■				■				■			
Action Item 2		■				■				■				■				■		

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5.5.5 Strategy E5: Support business incubator spaces and mentoring for startups

Details: The City can operate or partner with a site that acts as a new business incubator, providing startups with inexpensive workspace and the ability to network with other young businesses. The incubator model has been successful in many cities, not only providing valuable services to fledgling companies, but also revitalizing underutilized commercial areas.

Impetus: Many cities are home to small business incubator spaces, which are effectively shared offices where fledgling business owners not only get a good place to work, but also are in close proximity to other young organizations. These young companies often help each other succeed.

Suggested Actions:

1. Meet with leadership staff of the North Alberta Business Incubator (NABI) to explore how Red Deer might utilize provincial or federal funding to launch an incubator in Red Deer.
2. Monitor activity quarterly and reassess strategy every two years.

Success Measures: Number of businesses domiciled and/or helped; Number of successful alumni companies; Number of jobs created.

Strategic Partners: Red Deer Downtown Business Association; Central Alberta Access Prosperity; Red Deer College.

Estimated Average Annual Cost: $2,000

Priority: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy E5	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1																				
Action Item 2																				

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5.5.6   Strategy E6: Work to develop financing options for new businesses.

Details: The City could set up a revolving fund and work with BDC and/or Community Futures for financing new businesses. Also, the City could provide or solicit grants for research and innovation startups. The City could also explore the creation of a local venture capital consortium funded by local financial institutions.

Impetus: A common barrier to startups and other small businesses is access to capital. Since the financial crisis many banks, especially smaller banks, have been hesitant to give loans to even the most successful of small businesses. Facilitating a pathway for local small businesses to have access to capital would encourage business formation and expansion.

Suggested Actions:

1. Meet with representatives from BDC, Community Futures as well as local financial institutions to assess whether The City of Red Deer could play a role in facilitating the financing of new business ventures.
2. If the City can play a role it can work to receive grant money from provincial, federal and even private sources to fund this resource.

Success Measures: Number of successful alumni companies; Number of jobs created.

Strategic Partners: Business Development Bank of Canada; Community Futures; AFSC Commercial; Red Deer Downtown Business Association; Central Alberta Access Prosperity.

Estimated Average Annual Cost: $2,000

Priority: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy E6	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1																				
Action Item 2																				

5.5.7 Strategy E7: Explore feasibility of deferring fee and utility payments for start-ups

Details: The City should survey fledgling companies and assess the burden of fees and other expenses like utilities in their earliest phases. Should the City find these fees are overly burdensome, it should devise a program to defer payment until the company is in a better financial position.

Impetus: Having an understanding of the burden faced by local start-ups is important fro any city. Exploring the effects of fees and utilities on young companies would inform the City on whether such costs are impeding business growth.

Suggested Actions:

1. Survey or speak to owners of local start-up companies to assess the burden imposed by expenses under the City's control.
2. Develop a method to objectively evaluate the hardship caused by these expenses on the companies, if any.
3. Work with the City departments responsible for these services to see whether it might be possible to create a program where the most onerous of expenses are deferred until a later date.
4. Re-evaluate the strategy annually.

Success Measures: The first metric would be to estimate the number of new companies at risk from these expenses followed by a cost-benefit analysis of any kind of intervention.

Strategic Partners: Red Deer Utility Billing Service Centre; Inspections and Licensing;

Estimated Average Annual Cost: $2,000

Priority: TBD (High/Medium/Low)

Strategy E7	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓	▓																		
Action Item 2			▓																	
Action Item 3				▓	▓															
Action Item 4									▓				▓				▓			

5.6 Downtown Revitalization Strategies

5.6.1 Strategy F1: Create higher-density development Downtown

Details: Significantly higher densities of development, especially mixed-use developments, can be achieved in the Downtown area through strategic land acquisition/assembly, changes in the Planning and Development Regulations (such as flexible zoning and land use controls, increase in development rights and densities, reduced fees and levies, expedited development approval process, rezoning for mixed use and for stacking of uses for more efficient use of land) and a variety of tax tools (such as reduced property tax, special assessment districts, Community revitalization levy and tax concessions and exemptions).

Impetus: One component of a more vibrant, walkable and active downtown is to increase the number of residents, which can be done most efficiently with higher-density multi-family housing. Mixed-use development (residential and retail) not only places residents but provides services and destinations. Recent building trends in Red Deer, however, tend to not favor this.

Suggested Actions:

1. Set internal targets and benchmarks for numbers of units, housing types and geographic locations which align with other City goals.
2. Use the zoning and permit approval process to guide home development.
3. Meet or speak with private land developers and real estate brokers perhaps once per quarter to assess how well the City's density strategies are being accepted by the marketplace and whether additional incentives (like those above) need to be created.
4. Assess market conditions annually and, if financially prudent, develop land bank properties in accordance with the City's vision and guiding principles.
5. Monitor progress semiannually. Reassess this strategy at least every five years.

Success Measures: Number of mixed-use projects completed; zoning changes; increase in development activity in Downtown.

Strategic Partners: Downtown Business Association; Planning Department; Local developers.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy F1	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1																				
Action Item 2																				
Action Item 3																				
Action Item 4																				
Action Item 5																				

5.6.2 Strategy F2: Create more rental apartments in the Greater Downtown area.

<u>Details</u>: One scenario suggests that of the 1,100 units needed annually, 400 could be apartments, with 190-260 units built downtown with an emphasis on purpose-built rental units. Provide incentives to developers to construct rental housing in the downtown area. The land bank can be utilized to help encourage the construction of higher-density housing and purpose-built rental units.

<u>Impetus:</u> With more higher-density housing downtown Red Deer will need more rental units. Also more rental units will help newcomers settle in Red Deer more easily.

<u>Suggested Actions:</u>

1. Set internal targets and benchmarks for numbers of units, housing types and geographic locations which align with other City goals. We feel that the numbers suggested in our study (see the housing demand section in the Appendices) help Red Deer achieve those goals.
2. Use the zoning and permit approval process to guide home development.
3. Meet or speak with private land developers and real estate brokers perhaps once per quarter to assess how well the City's housing strategies are being accepted by the marketplace and whether additional incentives need to be created.
4. Assess market conditions annually and, if financially prudent, develop land bank properties in accordance with the City's vision for downtown.
5. Monitor progress semiannually. Reassess this strategy at least every five years.

<u>Success Measures</u>: Number of downtown rental units constructed; Use of transit; Level of pedestrian traffic downtown.

<u>Strategic Partners</u>: Red Deer Downtown Business Association; Local residential developers.

<u>Estimated Average Annual Cost</u>: $6,000

<u>Priority</u>: TBD (High/Medium/Low)

Strategy F2	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓																			
Action Item 2		▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓	▓
Action Item 3				▓		▓		▓		▓		▓		▓		▓		▓		▓
Action Item 4					▓				▓				▓				▓			
Action Item 5					▓			▓			▓			▓			▓			▓

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5.6.3   Strategy F3: Make downtown a year-round destination

Details: The City should create opportunities for residents and tourist to enjoy the public realm every month of the year, as per the vision of the Area Redevelopment Plan. The City should examine options including expanding the successful Downtown Patio program, creating a Winter Garden, opening a skating rink, establishing a public market, as well as trying out evening activities. The City should work with the Dept. of Transit to ensure sufficient public transportation to and from these events. Lastly, the City should place a considerable amount of its new retail space downtown. A majority of the 98,000 square feet of Department Store Type Merchandise retail demanded annually should likely be placed downtown to foster full-time activity as well as draw interest and spending from outside the city. The land bank can be utilized to help encourage downtown construction.

Impetus: Another component of a more vibrant, walkable and active downtown is to increase the reasons for residents and visitors to be downtown. Focus group participants suggested the creation of activities to make downtown inviting year-round.

Suggested Actions:

1. Conduct focus groups of Red Deer residents to determine the elements that made successful initiatives like the Downtown Patio work, as well as gain insights on what other types of activities might be successful in bringing people downtown.
2. Develop activities programming around these insights, utilizing land bank properties in Riverlands and other locations as needed.
3. Monitor progress quarterly. Reassess this strategy annually.

Success Measures: Number of activities; Number of activities per month/season; Use of Transit; Level of downtown pedestrian traffic; Downtown retail sales figures.

Strategic Partners: Tourism Red Deer; Red Deer Downtown Business Association; Dept. of Social Planning; Dept of Transit.

Estimated Average Annual Cost: $6,000

Priority: TBD (High/Medium/Low)

Strategy F3	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	�	▪																		
Action Item 2			▪	▪	▪															
Action Item 3						▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪	▪

5.6.4 Strategy F4: Reduce crime downtown.

<u>Details:</u> Increasing the number of people on the street though increased housing, retail and events downtown should help reduce the rates of crime in downtown Red Deer, but additional measures may be required. The City should consult with the RCMP on initiatives to make the streets safer, perhaps expand the "Downtown Ambassadors" program and/or explore other initiatives.

<u>Impetus:</u> Red Deer has higher rates of violent and property crime than the provincial average and there is the perception that there is much crime downtown. Typically increased 'everyday" activity and additional foot traffic reduces street crime, but until those goals are fulfilled Red Deer needs to explore other programs to help residents feel safer.

<u>Suggested Actions:</u>

1. Meet with local RCMP representative as well as downtown business owners to determine what kinds of efforts work to reduce crime downtown and what the City and the business community might be able to do.
2. Engage the other Downtown-specific Strategies (F1, F2, F3) to drive additional activity downtown.
3. Monitor progress quarterly. Reassess this strategy annually.

<u>Success Measures:</u> Incidents of violent and property crimes; Level of pedestrian traffic downtown.

<u>Strategic Partners</u>: Dept. of Social Planning; Red Deer RCMP; Downtown Business Association.

<u>Estimated Average Annual Cost</u>: $6,000

<u>Priority</u>: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy F4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■	■	■																	
Action Item 2				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Action Item 3				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

5.6.5   Strategy F5: Capitalize on the Historic Downtown built environment.

<u>Details:</u> Create a comprehensive strategy to address the history, attractions, activities, and built form of the Downtown area and capitalize on its full potential.

<u>Impetus:</u> Historic downtown districts have a charm and appeal not typically found in newer cities and Red Deer should showcase its own history. Many people are drawn to the authenticity of a historic area, thus making such places ideal for pedestrians and walk-in businesses.

<u>Suggested Actions:</u>

1. Explore a variety of municipal entitlements to promote heritage preservation, such as transfer of development rights reduced property tax and special assessment districts.
2. Identify key heritage sites which exemplify the Red Deer history and culture.
3. Explore the creation of a unique Red Deer identity through the use of landscaping, streetscaping, heritage restoration and land use controls.
4. Monitor results annually. Reassess strategy every 3-5 years.

<u>Success Measures:</u> Number of businesses downtown; Reuse of heritage structures; Level of pedestrian traffic downtown.

<u>Strategic Partners</u>: Downtown Business Association; Dept. of Planning.

<u>Estimated Average Annual Cost</u>: $6,000

<u>Priority</u>: TBD (High/Medium/Low)

Strategy F5	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓	▓																		
Action Item 2			▓																	
Action Item 3				▓	▓	▓	▓													
Action Item 4									▓				▓				▓			

5.6.6 Strategy F6: Consult with the Donald School of Business

Details: The City should work with the DSB to ascertain how well downtown is serving its students, and explore ways that the presence of the school can help in the revitalization of downtown.

Impetus: The Donald School of Business is an important downtown tenant bringing hundreds of students, faculty and visitors downtown every day. Understanding their needs as well as soliciting their feedback should give the City valuable insights on how to best use downtown as an economic engine.

Suggested Actions:

1. Periodically meet with senior administrators at the DSB to discuss what the City can do to make downtown more appealing to its students and faculty. DSB may even wish to turn the idea into a student case competition.
2. Develop metrics and targets based on the results of these discussions.
3. Develop new strategies to achieve those targets and evaluate.
4. Repeat this process annually. Reassess this strategy every 3-5 years.

Success Measures: To be set upon development of related initiatives.

Strategic Partners: Red Deer College; Donald School of Business;

Estimated Average Annual Cost: $4,500

Priority: TBD (High/Medium/Low)

Strategy F6	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	▓				▓				▓				▓				▓			
Action Item 2	▓				▓				▓				▓				▓			
Action Item 3		▓	▓			▓	▓			▓	▓			▓	▓			▓	▓	
Action Item 4					▓				▓				▓				▓			

5.6.7 Strategy F7: Assess needs for public services for growing populations

Details: Identify locations and timeframes for development of services as well as minimum resident populations required to support such services.

Impetus: As more residents live downtown there will be an increased need for public services. Understanding these needs and knowing whether the level of such services is a barrier to living downtown should help the City make better decisions.

Suggested Actions:

1. Survey downtown businesses and residents on their perceived level of public services, such as schools, community centres, post offices and other amenities.
2. Discuss results with providers of those amenities and develop plans to address any concerns and/or further explore satisfying perceived needs.
3. Conduct surveys annually. Reassess this strategy every 3-5 years.

Success Measures: Success in this strategy is based on whether a given population is adequately served by city services. Perhaps this can be quantified through the periodic use of surveys or asked in the municipal census.

Strategic Partners: Red Deer School Boards; Canada Post; Dept. of Social Planning; Dept. of Planning

Estimated Average Annual Cost: $3,000

Priority: TBD (High/Medium/Low)

	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
Strategy F7	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Action Item 1	■				■				■				■				■			
Action Item 2		■				■				■				■				■		
Action Item 3													■				■			

6   Summary of Recommendations

The following summarizes the goals and strategies we have discussed earlier. In all case The City of Red Deer should leverage as many internal resources as it can as well as engage outside organizations and especially the business community. The City is not alone in these endeavours and the entire region benefits from Red Deer achieving these outcomes.

Strategic Positioning Outcomes

Red Deer will fully capitalize on its unique competitive advantages, especially its central location along the Red Deer Corridor. Red Deer will have a nationally-known identity, independent from those of Calgary and Edmonton, and assert its own brand. Red Deer will be known for who it is and what it can do. The City and its strategic partners should:

- Capitalize on Red Deer's centralized location.
- Develop a Red Deer identity and brand.
- Maximize the benefits from the Red Deer Airport (YQF).

Economic Diversification Outcomes

Red Deer will have a rich and broadly diversified economy insulated from the booms and busts of the Albertan extraction industries. Red Deer will be known for its innovation-led small business economy as well as its ideal location for headquarters relocation. These successes will flow from the environment set up by the City to foster sustainable economic growth. The City and its strategic partners should:

- Promote growth of creativity and knowledge-based businesses.
- Unlock the full potential of road, rail and air transportation networks.
- Attract corporate head offices.
- Build on existing strengths within the oil and gas sector.
- Promote "green" technology companies.
- Promote and expand agribusiness.

Land Use Outcomes

Red Deer will be well-regarded for its intelligent and conscientious approach to land use. Red Deer will be a vibrant, walkable, safe and fun city year-round. The City will provide land for new development as the economy needs it, with special attention paid to revitalizing the downtown core and supporting Red Deer industry. Red Deer will have a diverse, high-quality and

affordable housing stock, appealing office space, plentiful shopping and sufficient industrial space, all while avoiding sprawl. Red Deer will set the standard for brownfield redevelopment and its Riverlands and Railyards districts will be exemplars of adaptive reuse. Other cities will continue to develop land banking strategies based on the Red Deer model. The City and its strategic partners should:

- Monitor demand for commercial space and industrial land.
- Ensure new housing is aligned with vision and guiding principles.
- Continue exploring retail redevelopment options for Gaetz Avenue.
- Support the Historic Downtown as the city's primary office location.
- Ensure sufficient supply of serviced industrial land.
- Promote greater housing stock diversity of housing.
- Leverage brownfields for higher-density infill developments.

Labour and Education Outcomes

Red Deer has an effective and nimble workforce with a level of training perfectly suited to the demands of industry. The city does not need to be as reliant upon immigrant labor as it is able to train, retrain and retain its local workforce. Young residents see a future for themselves in Red Deer, so they finish high school and attend Red Deer College (or Red Deer University) or they enroll in one of the many skills training and apprenticeship programs that are available. The City and its strategic partners should:

- Promote efforts to train and retrain the local workforce.
- Increase the high school completion rate.
- Attract immigrant entrepreneurs to Red Deer.
- Attract more workers to Red Deer.

Small Businesses Outcomes

Central to its rich and broadly diverse economy is Red Deer's small business ecosystem; not only does Red Deer have tremendous depth to its small business community, but the City also fosters an environment where people with great ideas can easily get the advice and funding they need to bring those ideas to fruition. Small businesses are assisted throughout their entire lifecycle: from incubator services for fledgling start-ups to succession services for retiring entrepreneurs. Immigrants, instead of being needed to fill labour shortages are instead free to launch their own businesses in Red Deer, helping to grow the local economy even further. The City and its strategic partners should:

- Develop or support small-business mentoring and advisory services

- Develop succession planning services for retiring business owners

- Streamline process to establish businesses.

- Identify and promote most effective job creators (the "gazelles")

- Support business incubator spaces and mentoring for startups

- Work to develop financing options for new businesses.

- Explore feasibility of deferring fee and utility payments for start-ups

Downtown Revitalization Outcomes

Red Deer will have a vibrant downtown that is active day and night, all year long. Downtown will continue to be home to most of Red Deer's office space, but also to an increasing number of residents and homeowners, ranging from single university students to families to empty-nesters. The streets will be alive with activities, cafes, shopping and people just getting together. Historic Downtown will be a point of pride as century-old heritage blends seamlessly into the modern era. The Greater Downtown Action Plan will be carried out and the prime riverfront properties will be bustling with people and activity, connecting the river to the Historic Downtown and helping to drive economic activity for the entire city. The City and its strategic partners should:

- Create more rental apartments in the Greater Downtown area.

- Make downtown a year-round destination

- Reduce crime downtown.

- Capitalize on the Historic Downtown built environment.

- Consult with the Donald School of Business

- Assess needs for public services

6.1 Results from Public Consultations

The City of Red Deer consulted with the local business community as well as the Advisory Committee to establish priorities for the suggested strategies. Additionally, an online survey was developed and administered through Survey Monkey where a link to it was posted on The City of Red Deer's website and emailed to the approximately 1200 local business community. Combined, 59% or more of respondents rate all 34 individual strategies as a HIGH or MEDIUM priority. Therefore, the majority of business survey respondents consider all the priorities listed to be important.

The Advisory Committee members were led through an activity to refine and priorities the strategies. Both the Advisory committee and the survey indicated a common 5 strategies as high priorities. Further examination via an independent data analysis determined that an additional 9 strategies were high to medium priorities. Detailed information may be found in Appendix M.

Strategies with Highest Support	Rationale
Capitalize on Red Deer's central location	**Strong emphasis by both Advisory Committee and Business Survey**
Attract more workers to Red Deer	**Strong emphasis by both Advisory Committee and Business Survey**
Promote growth of creativity and knowledge based businesses	**Strong emphasis by both Advisory Committee and Business Survey**
Ensure sufficient supply of serviced industrial land	**Strong emphasis by both Advisory Committee and Business Survey**
Unlock the full potential of road, rail and air transportation networks	**Strong emphasis by both Advisory Committee and Business Survey**

Strategies with Strong to Medium Support	Rationale
Continue to develop a Red Deer identity and brand	Strong emphasis by Advisory Committee and moderate emphasis by Business Survey
Assess needs for public services for growing populations	Strong emphasis by Advisory Committee and low to moderate emphasis by Business Survey
Promote greater housing stock and diversity of housing	High emphasis by the Advisory Committee and moderate emphasis by the Business Survey
Higher density development downtown	Strong emphasis by Advisory Committee and low to moderate emphasis by Business Survey. Business survey also ranked "reduce crime downtown" as a high priority.
Support efforts to increase the high school completion rate	Business Survey indicated this to be a high priority and Advisory Committee identified as a medium priority
Promote efforts to train and retrain the local workforce	Business Survey indicated this to be a high priority and Advisory Committee identified as a medium priority
Monitor demand for commercial space and industrial land	Moderate emphasis by both Advisory Committee and Business Survey
Streamline process to establish business	Business Survey indicated this to be one of the top strategies in the form of small business support.
Maximize the benefits from the Red Deer Airport	Strong emphasis by the Advisory Committee and lower to moderate emphasis from the Business Survey

Table 5: Strategies Supported by Public Consultation Participants
Source: City of Red Deer

APPENDICES

7   Appendix A - Economic base analysis

This section examines the provincial and local economic activities, providing an economic backdrop for the analysis of the future economic outlook of the city.

7.1   Alberta Economy

The province of Alberta displayed the highest economic growth in 2012, as measured by GDP, in the country; led primarily by its booming energy sector. Real output grew by an estimated 3.5% in 2012 and is projected to grow by 3.0% and 4.2% in 2013 and 2014.   This strong growth is expected to translate into strong demand for labour, as an average of 64,000 new jobs is created each year between 2011 and 2013 and another 43,000 jobs expected in 2014. This is expected to push unemployment levels down to 4.4% for 2013, which is expected to be the lowest level amongst all Canadian provinces. Strong jobs figures will maintain high levels of consumer confidence, resulting in exceptional growth in the retail sector, as consumer spending is expected to grow at an average rate of 7.4% per annum. Meanwhile, the housing sector is expected to continue its recovery as new housing starts crossed the 30,000 mark in 2012 and are expected to remain at that level through 2014.

		2007	2008	2009	2010	2011	2012	2013	2014
Real GDP	$2007 Millions	258,850	262,864	251,286	261,457	274,717	284,195	292,578	304,984
	% Change	1.7	1.6	-4.4	4.0	5.1	3.5	3.0	4.2
Employment	Thousands	1,991	2,054	2,025	2,017	2,094	2,150	2,205	2,248
	% Change	3.9	3.1	-1.4	-0.4	3.8	2.6	2.6	1.9
Unemployment Rate	%	3.5	3.6	6.6	6.5	5.5	4.6	4.4	4.5
Retail Sales	$ Millions	61,487	61,614	56,478	59,849	64,004	68,839	72,488	76,283
	% Change	9.9	0.2	-8.3	6.0	6.9	7.6	5.3	5.2
Housing Starts	Units	48,336	29,164	20,298	27,088	25,704	33,300	33,000	32,000
	% Change	-1.3	-39.7	-30.4	33.5	-5.1	29.6	-0.9	-3.0
Consumer Price Index	2002 = 100	117.9	121.6	121.5	122.7	125.7	127.1	129.1	131.2
	% Change	4.9	3.2	-0.1	1.0	2.4	1.1	1.6	1.7

Table 6: Alberta Economic Indicators
Source: RBC Economics, Provincial Outlook (March 2013)
Note: Figures highlighted in grey are RBC Economics estimates

Global uncertainty and supply disruptions in the Middle East over the past decade have resulted in higher oil prices, which have fuelled Alberta's oil industry. The outlook for the industry going forward is strong, as price levels are expected to remain close to current levels over the next few years: as of April 2, 2013, NYMEX light crude futures were trading at or above $87 per barrel until the end of 2015. This represents the market's consensus opinion on future prices, and is the best available measure of future pricing conditions.

Although Alberta's economy is primarily driven by its energy sector, which accounted for 27.6% of 2011 GDP, it is also has a reasonable level of diversification, with finance and real estate, business and commercial services, construction, retail and wholesale, transportation and utilities, and manufacturing all representing significant share of its employment base.
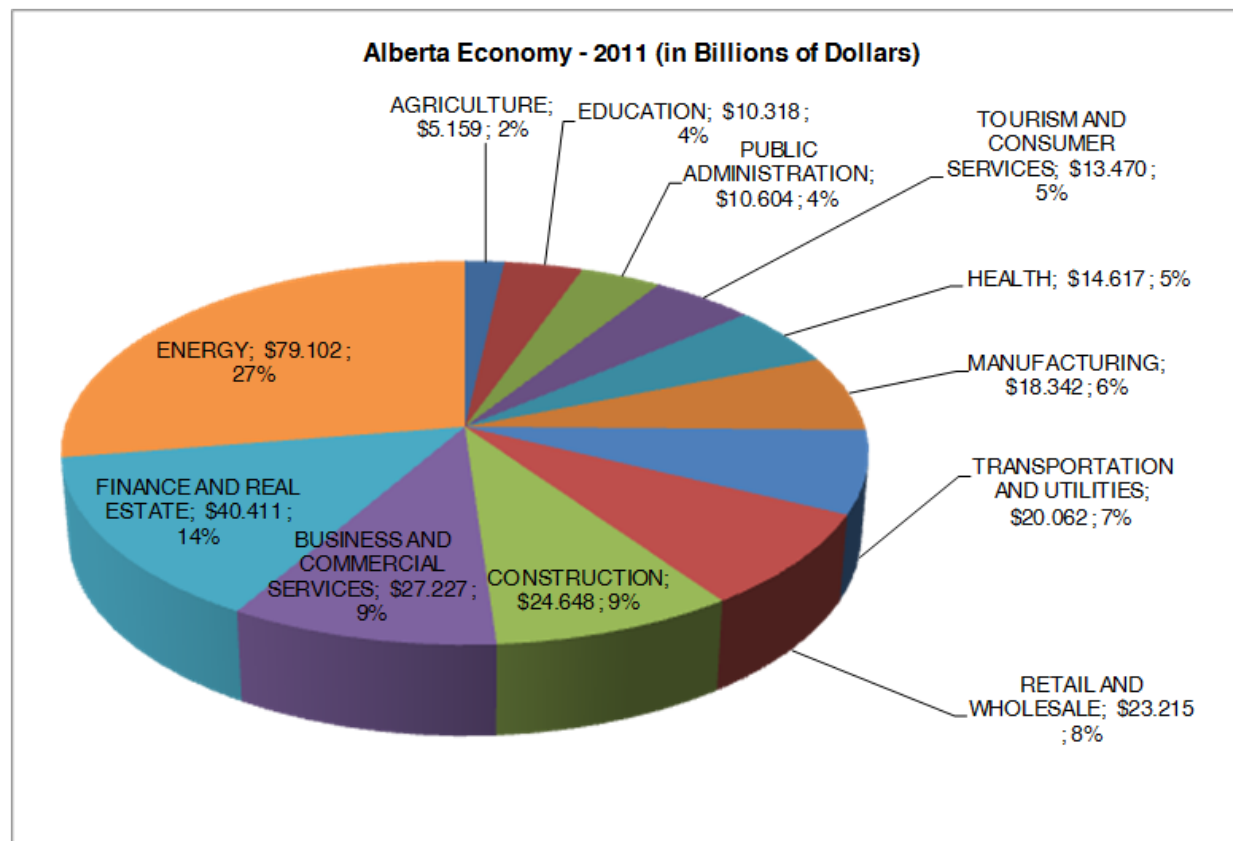
Figure 22: Alberta Economic Diversity 2011 (in $Billions)
Source: Alberta Enterprise and Advanced Education

Still, the importance of the oil and gas industry to Alberta should not be understated; its finance, transportation, and manufacturing industries all derive much of their business from the energy sector. The sensitivity of the Albertan economy to the world oil market was evident in 2009 when oil traded as low as $30 per barrel. As a result, Alberta's economy contracted by 4.5% that year and shed 20,000 jobs. This cycle of boom and bust has been seen in the past. High oil prices in the 1970s encouraged a rush of investment in the province, attracted labour, and ignited a construction boom. However, when the price of oil fell in the 1980s, the province suffered from high levels of unemployment, home foreclosures, bankrupcies, and vacant office space.

According to TD Economics, resource exploration and development in Alberta (driven by the oil sands) will improve as commodity prices firm up. One key challenge to this is an oil supply glut in the U.S. Midwest; excess supply has led to the West Texas Intermediate (WTI) price averaging US$18 less than the price of global Brent over the past year (2012). The wider spread puts downward price pressure on Albertan oil and has reduced the industry's revenues for nearly two years. There is also the medium-term challenge of building pipeline capacity to enable and support production growth. Major pipeline projects, which allow Albertan oil to be transported to market, have been proposed or are under construction. The two most notable are the Keystone XL, which would transport oil to the US Gulf Coast, and the Northern Gateway, which would transport it to the Pacific coast for export to Asian markets.

TD Economics states that while these challenges linger in the background, crude oil is forecast to slowly return to a more attractive price point over 2013-14. Higher oil prices, business investment will be an important contributor to provincial growth over the near-term. Provincial government coffers also stand to benefit. The favourable environment and the regional economic divergences will allow the province to continue to lure international and inter-provincial migrants.

As always, it is next to impossible to predict the occurrence of major geopolitical events, which have the potential to alter the state of the world economy. That said, political uncertainty in the Middle East, the world's most productive oil producing region, should continue to restrict oil supplies, which makes the prospect of a prolonged slump in Alberta's economy unlikely in the near future. It is true that short term expectations for the global economy have been tempered by Europe's sovereign debt crisis, a pause in the US's economic recovery, and the slackening of China's rapid growth. Although there has been a recent drop in some commodities prices, namely metals and natural gas, forecasts of the Albertan economy remaining on a moderately expansionary course seem justified given the prevailing trends that have supported the strength of oil over the last decade.

7.2 City of Red Deer Economy and Labour Force

The city of Red Deer had an employment base of approximately 53,900 in 2011. Table 7 provides the distribution of these jobs among the various industrial sectors of the economy. The table also compares the employment share in Red Deer to the employment shares in the Province of Alberta and Canada.

Red Deer Employment 2011	Workers	Share of Labour Force		
Employment share	Red Deer	Red Deer	Alberta	Canada
Goods-producing sector	13,700	25.4%	28.8%	22.1%
Mining, quarrying, and oil and gas extraction	5,500	10.2%	8.1%	2.1%
Construction	4,800	8.9%	10.5%	7.2%
Manufacturing	2,800	5.2%	6.4%	10.2%
Agriculture, forestry, fishing and hunting	350	0.6%	2.8%	1.8%
Utilities	250	0.5%	1.0%	0.8%
Services-producing sector	40,200	74.6%	71.2%	77.9%
Retail trade	7,450	13.8%	11.2%	11.6%
Health care and social assistance	6,100	11.3%	10.6%	12.2%
Accommodation and food services	4,150	7.7%	6.2%	6.3%
Educational services	3,350	6.2%	6.0%	7.4%
Other services	3,350	6.2%	4.9%	4.5%
Professional, scientific and technical services	2,400	4.5%	7.3%	7.4%
Wholesale trade	2,350	4.4%	3.8%	3.5%
Finance and insurance	2,150	4.0%	3.3%	4.5%
Transportation and warehousing	2,000	3.7%	5.4%	4.9%
Business, building and other support services	2,000	3.7%	3.4%	3.9%
Public administration	1,900	3.5%	4.1%	5.5%
Real estate and leasing	1,500	2.8%	1.5%	1.8%
Information, culture and recreation	1,500	2.8%	3.3%	4.5%

Table 7: Employment in Red Deer by Industry and Comparative Workforce Share 2011
Sources: Statistics Canada; Alberta Enterprise and Advanced Education; Conference Board of Canada; Urbanics Consultants

From the distribution of the workforce in 2011 it is evident that the city of Red Deer has a smaller share of its workforce employed in the goods-producing industries than the Province of Alberta but more than the nation as a whole. Moreover, we can see that the extraction industries are especially important to Red Deer, employing a significantly larger share of its workforce there than what is typically found, even in Alberta. Construction, health care and social assistance and retail trade employed the largest numbers of Red Deer workers.

Employment by Industry (NAICS Code) - Red Deer - 2001, 2006, 2011
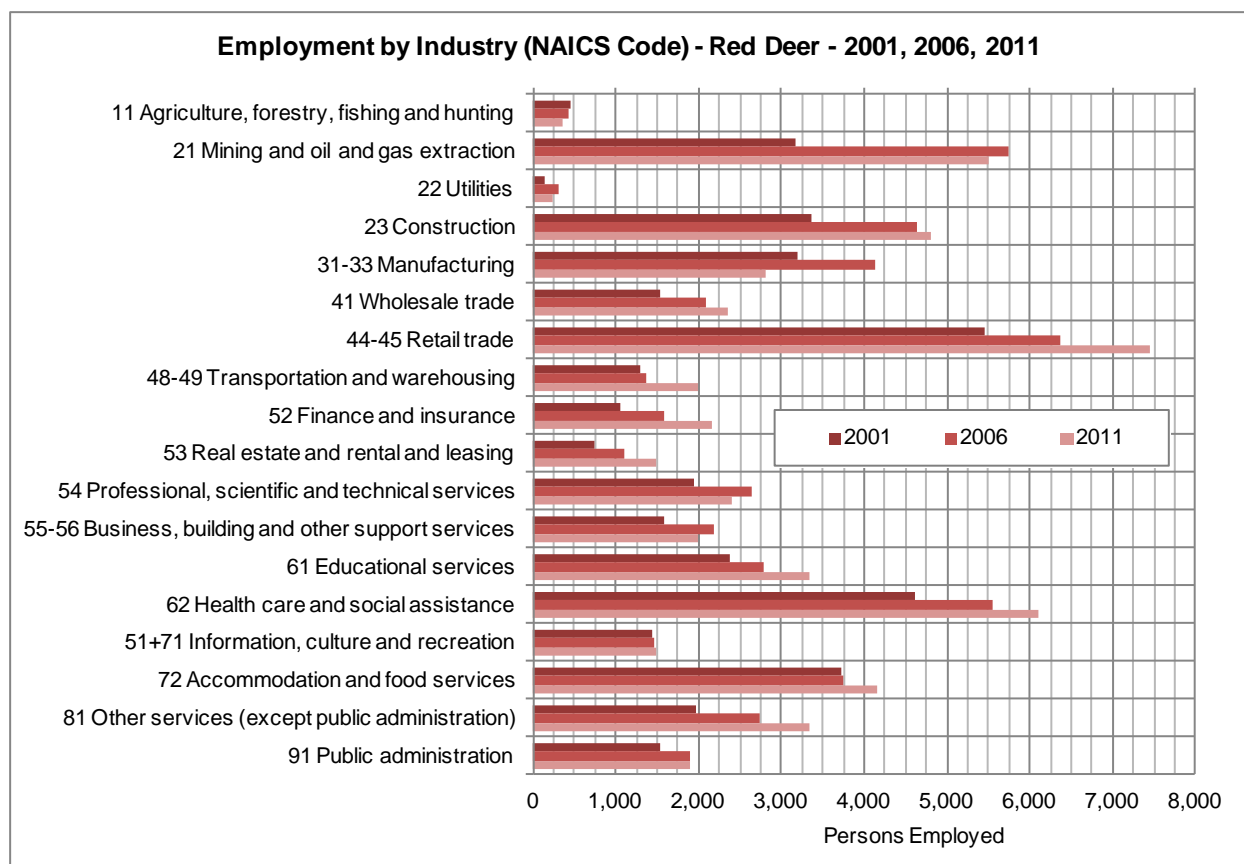
Table 8: Red Deer employment share 2001-2006
Sources: Statistics Canada, Urbanics Consultants

The next section explores the make-up of the Red Deer economy using two methods: the Location Quotient method and the Shift Share method.

7.2.1   Location Quotient Analysis

The premise of an Economic Base Analysis is that economic activities in an area can be divided into two categories – basic and non-basic. Basic industries are those exporting from the region and bringing wealth from outside; non-basic (typically service) industries, in turn, support basic industries. Estimating whether industries are basic or non-basic can be done by calculating the Location Quotient for each industry. Location quotients (LQ) are used in research to quantify and compare concentrations of industries in a particular area and are critical to understanding an area's economic strengths and weaknesses.

An LQ greater than 1.0 indicates that an area has proportionately more workers than the larger comparison area (in our case, the Province of Alberta) employed within a specific industry sector. This implies that an area is producing more of a product or service than is consumed by

area residents and the excess is available for export outside the area. However, it should be noted that an LQ greater than 1 does not necessarily mean that an area industry is exporting; there may simply be excessive local demand. Identifying area export industries is useful, as it provides a measure of the degree of industry specialization within an area. A high location quotient in a specific industry may translate into a competitive advantage in that industry for the local economy. Economic development opportunities may exist for additional growth of the exporting or related industries because of the presence of an existing skilled labor pool or other resources such as suppliers, facilities or transportation hubs in the region.

An LQ significantly less than 1.0 suggests a lower level of concentration of these industries in comparison to the Province and may indicate an opportunity to develop businesses in the local area to meet area demand.

Table 9 provides the Location Quotients for industrial sectors in Red Deer (as based on 2-digit NAICS codes described in Appendix 3) versus the Province of Alberta from 2001-2011:

Location Quotient: Red Deer versus Alberta	2001	2006	2011	2001	2006	2011
	LQ	LQ	LQ	WORKERS	WORKERS	WORKERS
Goods-producing sector (15)	1.12	1.07	0.93	10,320	15,225	13,700
11 Agriculture, forestry, fishing and hunting	0.14	0.08	0.06	460	425	350
21 Mining and oil and gas extraction	1.60	1.54	1.41	3,170	5,735	5,500
22 Utilities	0.49	0.68	0.60	135	320	250
23 Construction	1.24	0.98	0.88	3,360	4,625	4,800
31-33 Manufacturing	1.11	1.10	0.77	3,195	4,120	2,800
Services-producing sector (16)	1.20	0.97	1.03	29,285	35,520	40,200
41 Wholesale trade	1.08	1.09	1.00	1,530	2,085	2,350
44-45 Retail trade	1.43	1.10	1.25	5,460	6,360	7,450
48-49 Transportation and warehousing	0.63	0.48	0.72	1,305	1,375	2,000
52 Finance and insurance	0.62	0.61	0.83	1,060	1,585	2,150
53 Real estate and rental and leasing	0.66	0.68	0.93	740	1,115	1,500
54 Professional, scientific and technical services	3.25	2.75	2.47	1,945	2,640	2,400
Business, building and other support services [55 56] (12)	0.62	0.56	0.48	1,575	2,195	2,000
61 Educational services	2.46	1.64	1.78	2,385	2,785	3,350
62 Health care and social assistance	2.04	1.57	1.86	4,605	5,540	6,100
Information, culture and recreation [51 71]	0.47	0.30	0.26	1,445	1,455	1,500
72 Accommodation and food services	2.69	2.00	2.04	3,715	3,745	4,150
81 Other services (except public administration)	0.86	0.89	1.00	1,980	2,745	3,350
91 Public administration	0.96	0.79	0.70	1,540	1,895	1,900

Table 9: Location Quotient – Red Deer versus Province of Alberta – 2001, 2006
Sources: Statistics Canada, Urbanics Consultants

The table illustrates the importance of the mining, oil and gas extraction and manufacturing industries in the city of Red Deer (where LQ>1) in both 2001 and 2006. Both industries displayed a higher concentration in Red Deer versus the province. Notably, manufacturing shifted from being a basic to a non-basic industry between 2006 and 2011, though this could

still be a ripple effect from the global economic downturn of 2008. Utilities and construction each showed an LQ of less than 1 and, thus, are more likely to be non-basic industries.

Among the services-producing industries, the most prominent industries (those with an LQ > 1) were wholesale trade, retail trade, professional, scientific and technical services, educational services, healthcare and social assistance and accommodation and food services. All these industries display higher concentration of employment as compared to the province itself and may be exporting services outside of the local economy. Surprisingly, the Location Quotient for transportation and warehousing was less than 1 in all three years surveyed, suggesting a lower concentration of jobs in this industry than that of the province. Given its location and access to transportation conduits, we feel that Red Deer's LQ for this industry should be much higher. Red Deer should capitalize on its proximity to Calgary and Edmonton, as well as its strategic location along the Red Deer Corridor, to increase employment in this industry.

7.2.2   Shift Share Analysis

Shift/share analysis is a widely used analytical technique used for decomposing changes, usually in employment, in a set of urban areas or regions. The analysis is meant to identify industries considered to have a comparative advantage in a particular urban area. Shift Share analysis disaggregates the employment growth in an industry into three components:

- Provincial share of growth: growth resulting from growth in the overall economy
- Industrial mix : Identifies slow growing and fast growing industries based on provincial growth rates for the industry
- Competitive effect: Identifies leading and lagging industries in the region. This effect also identifies the industries that benefit from unique location advantages of locating the region

Table 10 provides the findings from the shift share analysis for the years 2006 and 2011 suggest that of the total growth of 3,155 jobs:

- Regional Share: 4,702 jobs were added through overall growth in the economy
- Industrial Mix: 488 jobs were LOST through declines in specific industries in the province.
- Regional Shift: 1,059 jobs were lost overall through Red Deer's unique locational situation.

Much of the Regional shift job loss was experienced in the goods producing sectors of the economy, especially in manufacturing, but also in construction and the extraction industries. This perhaps underscores the potential for job losses during economic downturns, as was

experienced in 2008. Among services-producing industries, FIRE, Professional, Scientific and technical services as well as business, building and support services displayed significant growth due to regional shift, i.e. the comparative advantage derived from being located in Red Deer.

Thus, Red Deer provides unique location advantages to the mining and oil and gas extraction industries as well as manufacturing industries. These goods producing industries are important to the economic health of Red Deer and efforts should be made to retain and expand employment in these industries. Similarly, wholesale trade, FIRE, and professional, scientific and technical services sector and other support services derive significant advantages by locating in Red Deer. The city can capitalize on these sectors of the economy to achieve economic diversification as well as long term economic sustainability.

SHIFT SHARE ANALYSIS Red Deer versus Alberta (2006-2011)	Regional Share	Industrial Mix	Regional Shift	Total Emp Growth
Goods-producing sector	**1,411**	**-117**	**-2,819**	**-1,525**
11 Agriculture, forestry, fishing and hunting	39	-23	-92	-75
21 Mining and oil and gas extraction	531	-99	-668	-235
22 Utilities	30	-55	-45	-70
23 Construction	429	427	-680	175
31-33 Manufacturing	382	-367	-1,335	-1,320
Services-producing sector	**3,292**	**-371**	**1,760**	**4,680**
41 Wholesale trade	193	370	-298	265
44-45 Retail trade	589	-189	690	1,090
48-49 Transportation and warehousing	127	-136	634	625
52 Finance and insurance	147	-121	539	565
53 Real estate and rental and leasing	103	-100	381	385
54 Professional, scientific and technical services	245	-143	-342	-240
Business, building and other support services [55 56] (12)	203	40	-438	-195
61 Educational services	258	137	170	565
62 Health care and social assistance	513	-770	817	560
Information, culture and recreation [51 71]	135	212	-302	45
72 Accommodation and food services	347	93	-35	405
81 Other services (except public administration)	254	101	249	605
91 Public administration	176	135	-306	5
Total, all industries	**4,702**	**-488**	**-1,059**	**3,155**

Table 10: Shift share analysis: Red Deer
Source: Urbanics Consultants Ltd

8   Appendix B – Population and Employment Projections

This chapter briefly presents projections for population and employment growth in the city of Red Deer. The population projections are based on the Cohort-Component Method and the employment projections are based on the extrapolation, constant-share and shift-share methods. Though the City already had population projections (as provided by Schollie Research and Consulting in 2006), we felt that in the period since their publication enough had changed to warrant performing our own projections.

8.1 Population Projections

This study develops three population growth scenarios utilizing the Cohort Component method. The method incorporates assumptions regarding future fertility rates, mortality rates (as forecasted by the Lee Carter method), and net migration to Red Deer (as forecasted by the Direct Method). The table below provides these three population growth scenarios for Red Deer.

	2001	2006	2011	2016	2021	2026	2031	2036	2041	Annual growth rate (2011-2041)
Census Population Counts	67,720	82,795	90,570							
High Growth Scenario				102,930 13.6%	116,790 13.5%	131,940 13.0%	148,740 12.7%	168,120 13.0%	191,260 13.8%	2.5%
Medium Growth Scenario				102,520 13.2%	115,130 12.3%	128,420 11.5%	142,490 11.0%	158,000 10.9%	175,730 11.2%	2.2%
Low Growth Scenario				101,600 12.2%	111,410 9.7%	120,540 8.2%	128,870 6.9%	136,670 6.1%	144,300 5.6%	1.6%

Table 11: Red Deer Population Forecast – Component Cohorts – 2001-2041
Sources: Urbanics Consultants

High Growth Scenario: In the high growth scenario, the city of Red Deer is expected to display population growth throughout the study period (2011-2041). The high growth scenario assumes three things: fertility rates in Red Deer will remain constant during the entire projection period (just slightly higher than the rate observed by the 2011 census), average life expectancy will gradually increase to 83.96 years for men and 89.42 years for women by 2041, and steady increases in population inflow from migration (from a net annual inflow of about 1,100 people during 2006-2011 to a net annual inflow of 3,300 people during 2036-2041). In the high growth scenario, the population of Red Deer is expected to grow from 90,570 in 2011 to about 191,000 in 2041 at an annual growth rate of 2.5%.

Medium Growth Scenario: The medium growth scenario also suggests significant population growth for the city of Red Deer over the study period. This scenario is expected to be the most likely population growth scenario as the City's growth rate tracks more closely to its long-term fertility rate. Also, the medium growth scenario assumes that by 2041 the average life expectancy in Red Deer will extend to 81.5 years for men and 86.4 years for women, combined with steady increases from migration (from a net annual inflow of about 1,100 people during 2006-2011 to a net annual inflow of 2,500 people during 2036-2041). In the medium growth scenario, the population of Red Deer is expected to grow from 90,570 in 2011 to about 175,000 in 2041; this represents an annual growth rate of 2.23%.

Low Growth Scenario: Even in the low growth scenario, the population of Red Deer is expected to increase: from 90,570 in 2011 to about 144,000 in 2041, an annual growth rate of 1.56% over the study period. The low growth scenario is based on the 10-year Provincial average fertility rate (1.77), a life expectancy of 78.4 years for men and 82.5 years for women by 2041, and a steady annual influx of about 1,100 people throughout the study period.

Summary of the Three Growth Scenarios: The table and figure below summarize the results of the three growth scenarios. These population projections provide the likely path of population growth in the City and can provide valuable information for evaluating long term development and service goals. According to this study the population of Red Deer is expected to grow in all three of the scenarios outlined, which are graphically represented in the figure and table below.

Direct Method	Componenets	2011-2016	2016-2021	2021-2026	2026-2031	2031-2036	2036-2041	Avg. Annual
High Growth Scenario	Births	7,610	8,190	8,290	8,480	9,310	11,020	1,763
	Deaths	1,920	2,320	2,720	3,160	3,700	4,410	608
	Natural Increase	5,690	5,870	5,570	5,320	5,610	6,610	1,156
	Migration	6,620	7,950	9,540	11,440	13,730	16,480	2,192
	Net Growth	**12,310**	**13,820**	**15,110**	**16,760**	**19,340**	**23,090**	**3,348**
Medium Growth Scenario	Births	7,580	7,690	7,720	7,780	8,390	9,720	1,629
	Deaths	2,030	2,420	2,880	3,390	4,020	4,810	652
	Natural Increase	5,550	5,270	4,840	4,390	4,370	4,910	978
	Migration	6,350	7,300	8,390	9,650	11,100	12,760	1,852
	Net Growth	**11,900**	**12,570**	**13,230**	**14,040**	**15,470**	**17,670**	**2,829**
Low Growth Scenario	Births	7,530	6,830	6,690	6,480	6,670	7,370	1,386
	Deaths	2,060	2,590	3,120	3,710	4,430	5,310	707
	Natural Increase	5,470	4,240	3,570	2,770	2,240	2,060	678
	Migration	5,520	5,519	5,519	5,519	5,519	5,519	1,104
	Net Growth	**10,990**	**9,759**	**9,089**	**8,289**	**7,759**	**7,579**	**1,782**

Table 12: Red Deer Population Forecast – Component Cohorts – 2011-2041
Sources: Urbanics Consultants
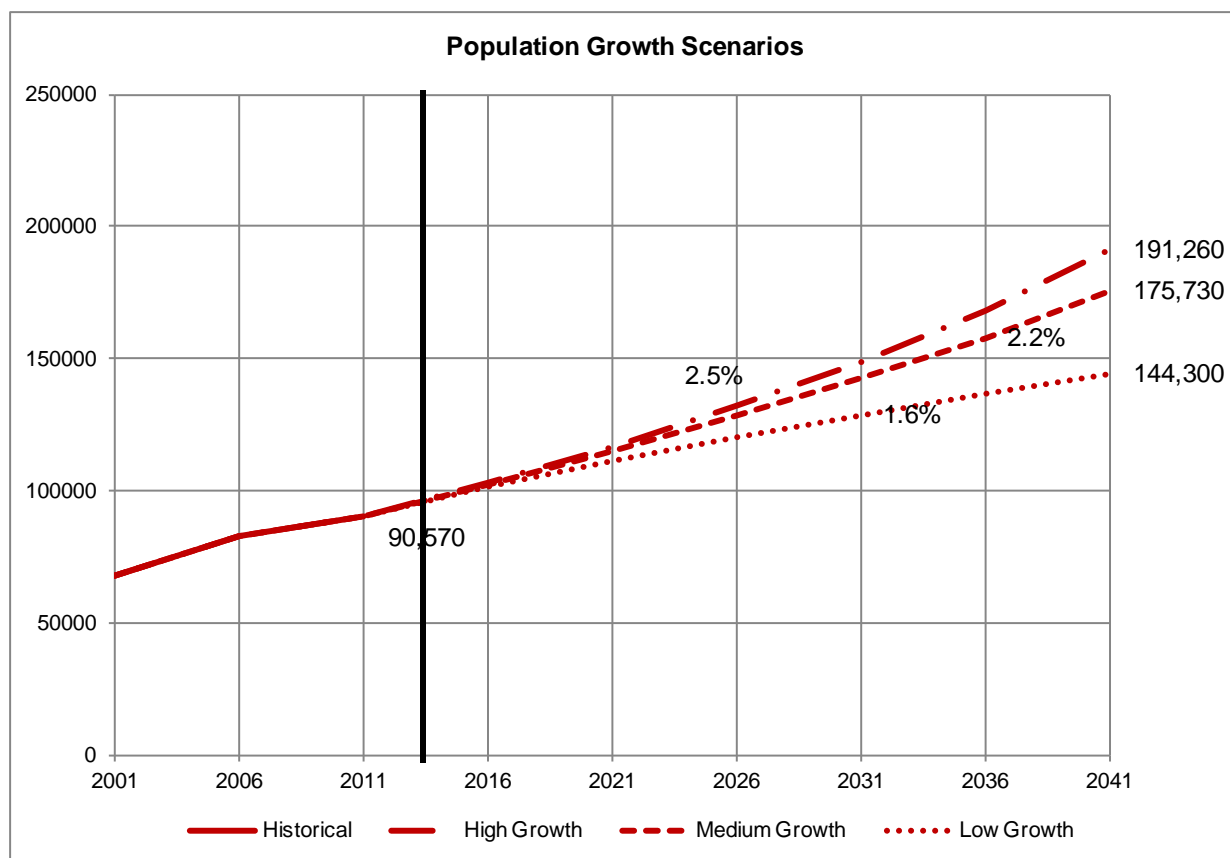
Figure 23: Red Deer Population Forecast – Three Scenarios – 2011-2041
Source: Urbanics Consultants Ltd. & Statistics Canada, 2001-2011 Census

However, it should also be noted, that these projections rely on historical population trends and assumptions regarding fertility, mortality and especially migration and cannot account for exogenous or otherwise unforeseen external factors, such as changes in the regional, provincial or international economy. The main difference between the scenarios is from the influx from migration, which will be largely driven by Red Deer's economic prospects. The stronger Red Deer's economy, the more migrants will be drawn from Canada and beyond. Even minor changes in Red Deer's employment opportunities may significantly alter the City's overall population and age distribution.

How do our results compare with The City of Red Deer Population Projections report?

Our predicted growth rate of 2.23% is slightly lower than the projection provided by Schollie in 2006; it predicted an annual population growth rate of 2.43% for 2007-2031. Some of the differences between the two may have resulted from:

1. A slowdown in population growth during 2006-2011 after a period of strong growth in 2001-2006; While Red Deer saw a 4.2% average annual population growth during 2001-2006, that fell to 1.7% average annual population growth during 2006-2011.

2. An economic slowdown during 2006-2011 following a period of strong economic growth during 2001-2006. The latter being a period associated with high oil & gas prices, low interest rates, and growth in petrochemical and tourism industries.

Implications of Medium Growth Scenario

The medium growth scenario is expected to be the most likely of the three scenarios and thus it will be used in all further analyses contained herein. The results of the medium-growth scenario reveal several important implications for the Red Deer over the next 30 years. Notably Red Deer will see a significant increase in population, with its working-age cohort nearly doubling from nearly 65,000 to over 112,000 workers. The populations under 15 and over 65 will steadily increase as well.
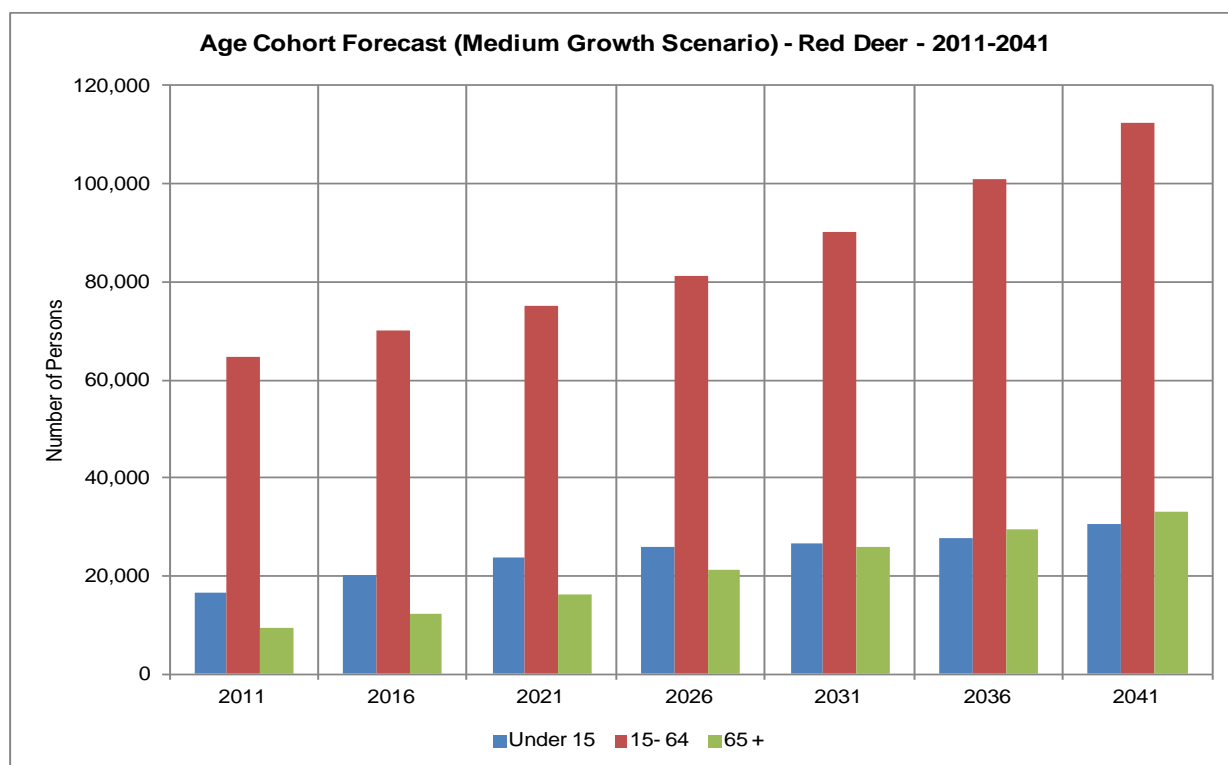
Figure 24: Age Cohort Population Forecast (Medium Growth Scenario) – 2011-2041
Sources: Statistics Canada, Urbanics Consultants

Medium Growth Scenario		2001	2006	2011	2016	2021	2026	2031	2036	2041
Population Distribution	Under 15	13,575	15,020	16,570	20,217	23,682	25,927	26,582	27,802	30,407
	15- 64	47,565	59,630	64,570	69,996	75,137	81,086	90,060	100,773	112,248
	65 +	6,580	8,145	9,430	12,305	16,314	21,396	25,847	29,429	33,071
	Total	67,720	82,795	90,570	102,517	115,133	128,409	142,488	158,004	175,726
% Share	Under 15	20%	18%	18%	20%	21%	20%	19%	18%	17%
	15- 64	70%	72%	71%	68%	65%	63%	63%	64%	64%
	65 +	10%	10%	10%	12%	14%	17%	18%	19%	19%

Table 13: Results from the Medium Growth Scenario (forecasts in yellow) – 2001-2041
Sources: Statistics Canada, Urbanics Consultants

Over the next 30 years the share of population in the working-age cohort (15-64 years) is expected to decline from 71% in 2011 to nearly 64% by 2041. Next, the proportion of seniors in the population is expected to grow from 10% to nearly 19% over that same period which suggests an increase of some 23,000 people over 65. These trends are depicted in the Figure 25. The declining share of working-age residents coupled with the increasing share of those over 65 suggests that Red Deer and its major employers will need to attract new employees, even though the working-age population is forecasted to rise. Also the City will need to be mindful of the care and amenity choices desired by its increasingly aging population.
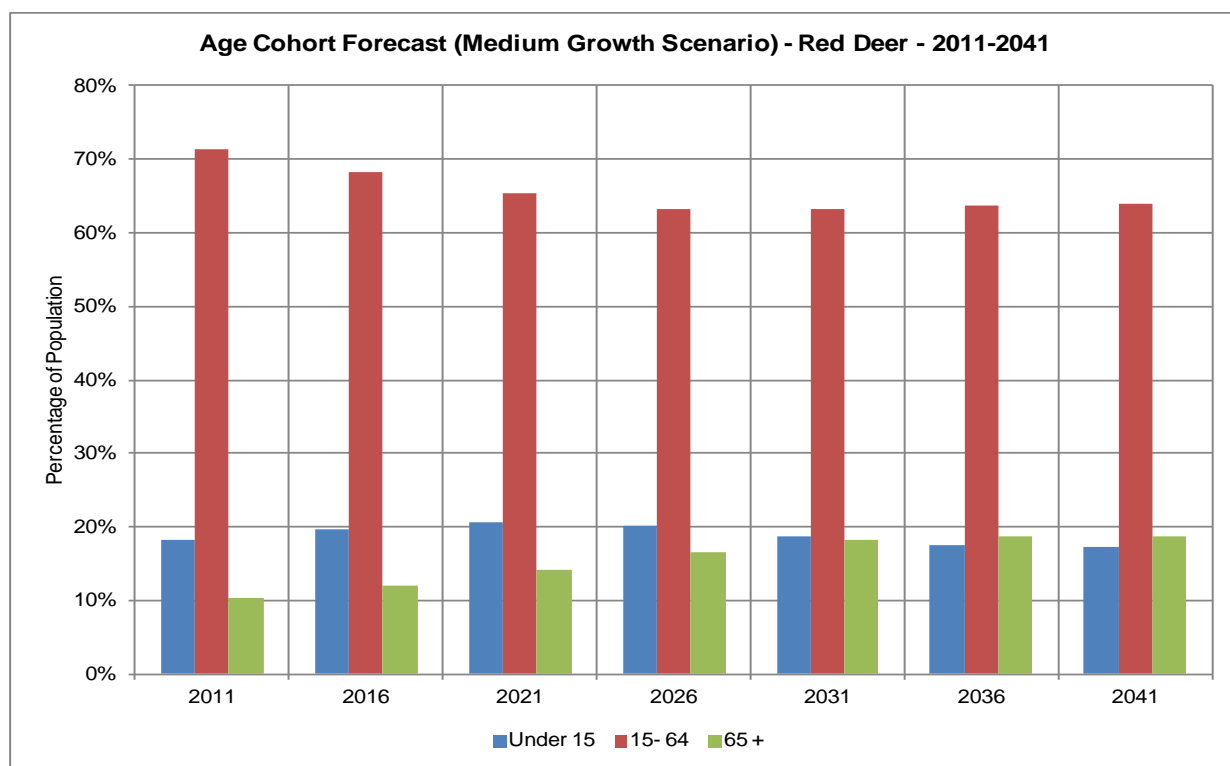
Figure 25: Age Cohort Distribution Forecast (Medium Growth Scenario) – 2011-2041
Sources: Statistics Canada, Urbanics Consultants

8.2   Alberta Employment Growth Projections

The Government of Alberta's employment outlook for 2010 – 2015 suggests significant job growth across all industries except agriculture, utilities and forestry.
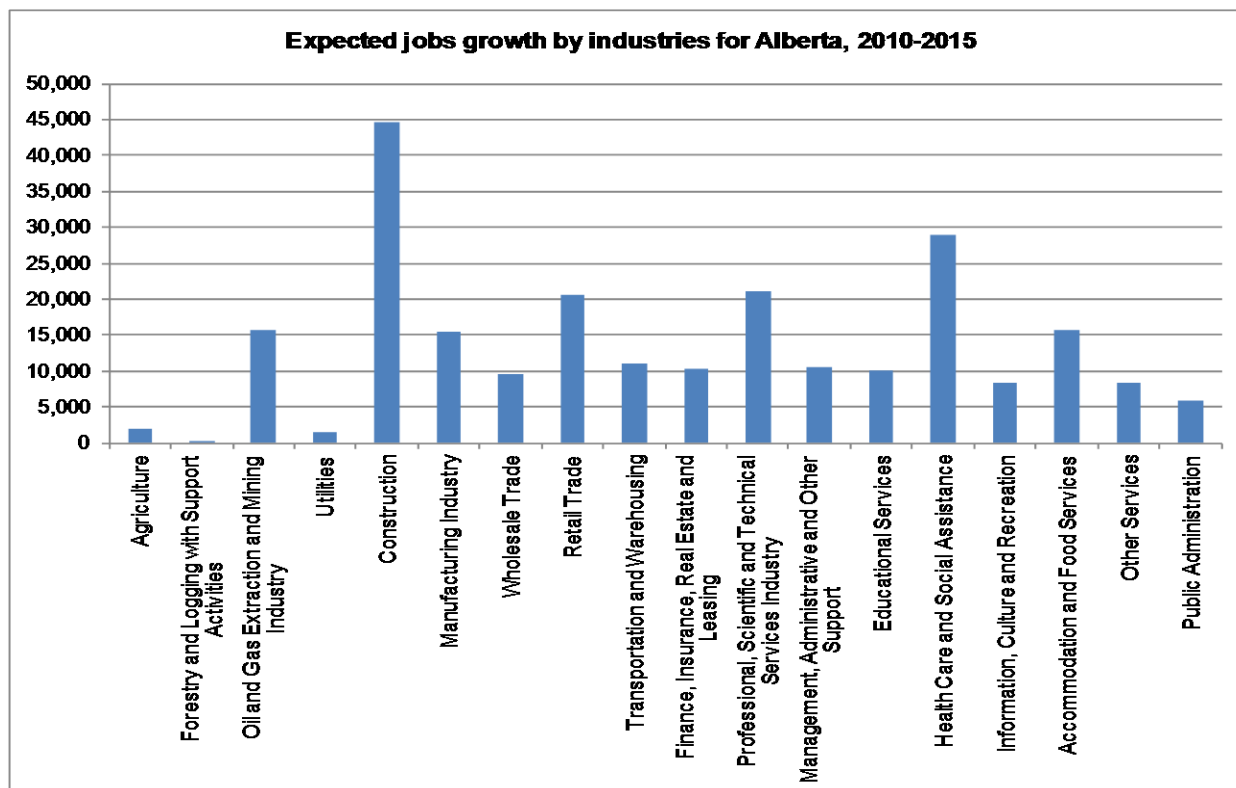
Figure 26: Alberta Employment Growth 2011-2015
Source: Government of Alberta

The Government of Alberta's employment outlook for 2010 – 2015 suggests that the province will gain 120,000 new jobs over that timeframe in these five major sectors:

1. Construction industry is expected to add nearly 45,000 jobs during 2010-2015
2. Health Care and social assistance industry is expected to add nearly 29,000 jobs
3. Professional, scientific and technical services and retail trade industry is expected to add nearly 21,000 jobs.
4. Mining and oil and gas industry, manufacturing industry and accommodation and food services industry are expected to add over 15,000 jobs each during the same period.
5. Wholesale trade industry, transportation and warehousing industry and FIRE industry, management and administrative support services and Educational services are expected to add nearly 10,000 jobs each during the same period (2010-2015).

Expected net growth in manufacturing jobs for Alberta, 2010-2015
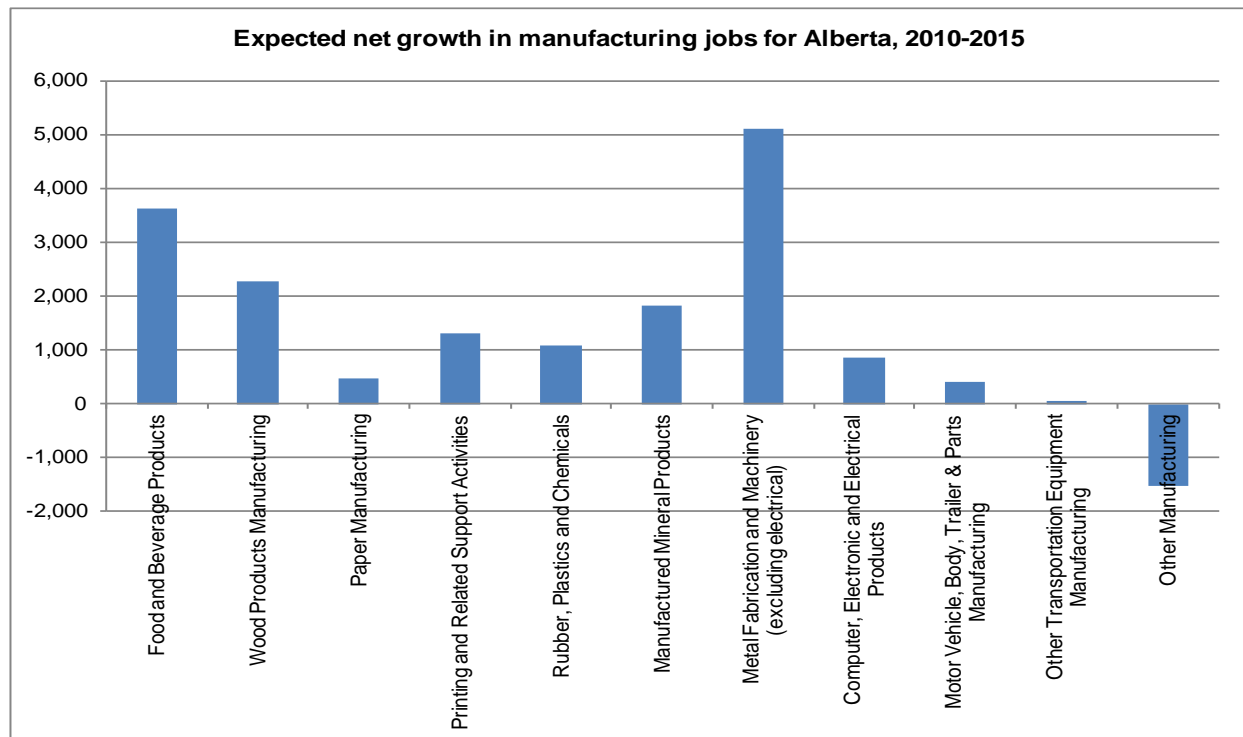
Figure 27: Alberta Manufacturing Employment Growth 2011-2015
Source: Government of Alberta

Of the more than 15,000 jobs being created in the manufacturing sectors province-wide by 2015, the government of Alberta projects the following specifics:

1. Metal fabrication and machinery industry is expected to add over 5,000 new jobs
2. Food and beverage products industry is expected to add nearly 3,600 jobs
3. Wood products manufacturing industry is expected to add nearly 2,300 jobs
4. Manufactured mineral products industry is expected to add over 1,800 jobs
5. Printing and related support activities industry is expected to add nearly 1,300 jobs
6. Rubber, plastics and chemicals industry is expected to add nearly 1,100 jobs

8.3 Red Deer Employment Growth Projections

We used the following three methods for projecting employment:

1. Extrapolation method: Relies on historical population to employment ratios to estimate future employment

2. Constant-share method: Uses the historical share of the local economy in larger economy to estimate future employment (based on employment projections of the larger economy)

3. Shift-share method: Identifies employment growth opportunities that might arise from unique location advantages enjoyed by a particular industry in the city

8.3.1 Extrapolation Technique

The extrapolation method uses historical ratios of employment to population to forecast employment levels over the study period. This method assumes that the future employment can be determined by extrapolating historical levels of employment in a particular sector for the region. In this case the source material for this projection was the employment outlook information for 2010-2015 from the Province of Alberta. The method of linear extrapolation is mathematically simple and provides viable estimates of employment levels in the region. The figure below summarizes the results derived from the extrapolation technique.
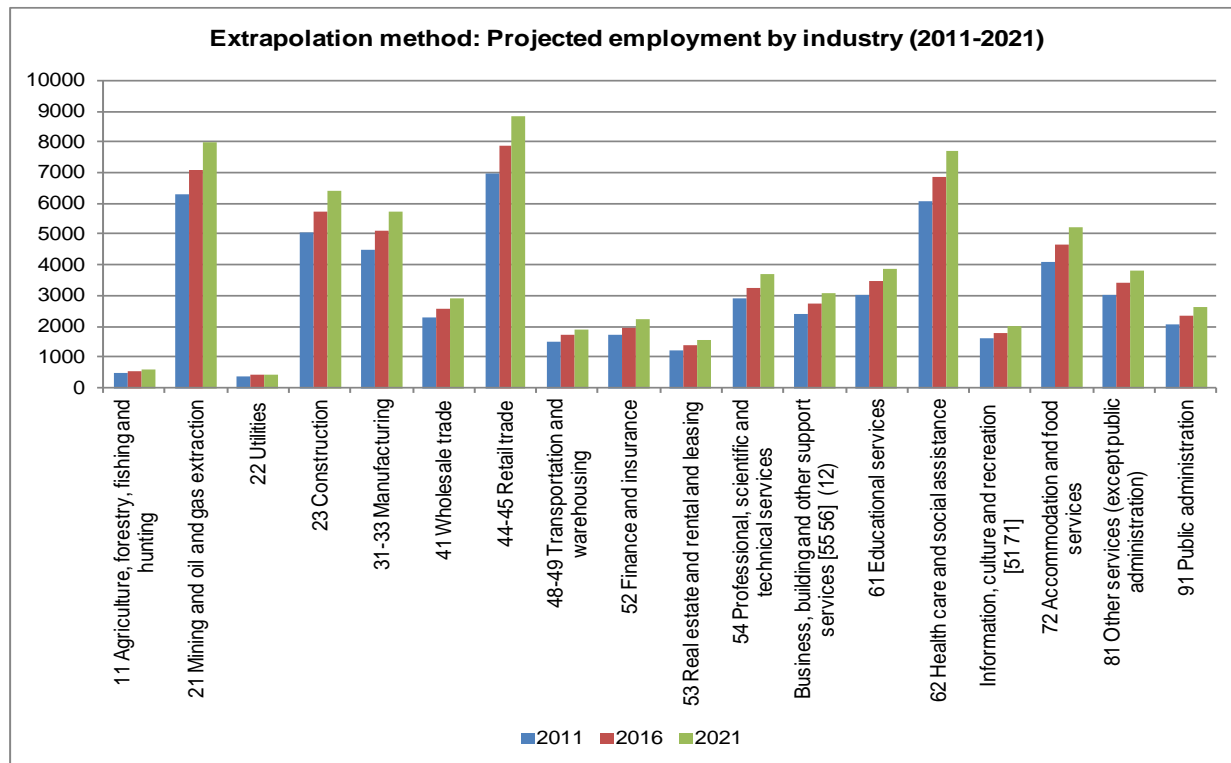
Figure 28: Red Deer Employment Projections by Industry – Extrapolation Method
Source: Urbanics Consultants

8.3.2 Constant share Projection Technique

This method is based on the assumption that the local share of the reference region's economic activity remains constant. This assumes that the local economy is closely related to the larger region and any changes to the larger region's economy will be closely reflected in the local economy. The benefit of this method is that employment projections for larger regions are more frequent, detailed and reliable in comparison to smaller areas. In this case, the reference region is the Province of Alberta. The figure below summarizes the results derived from the constant-share technique.
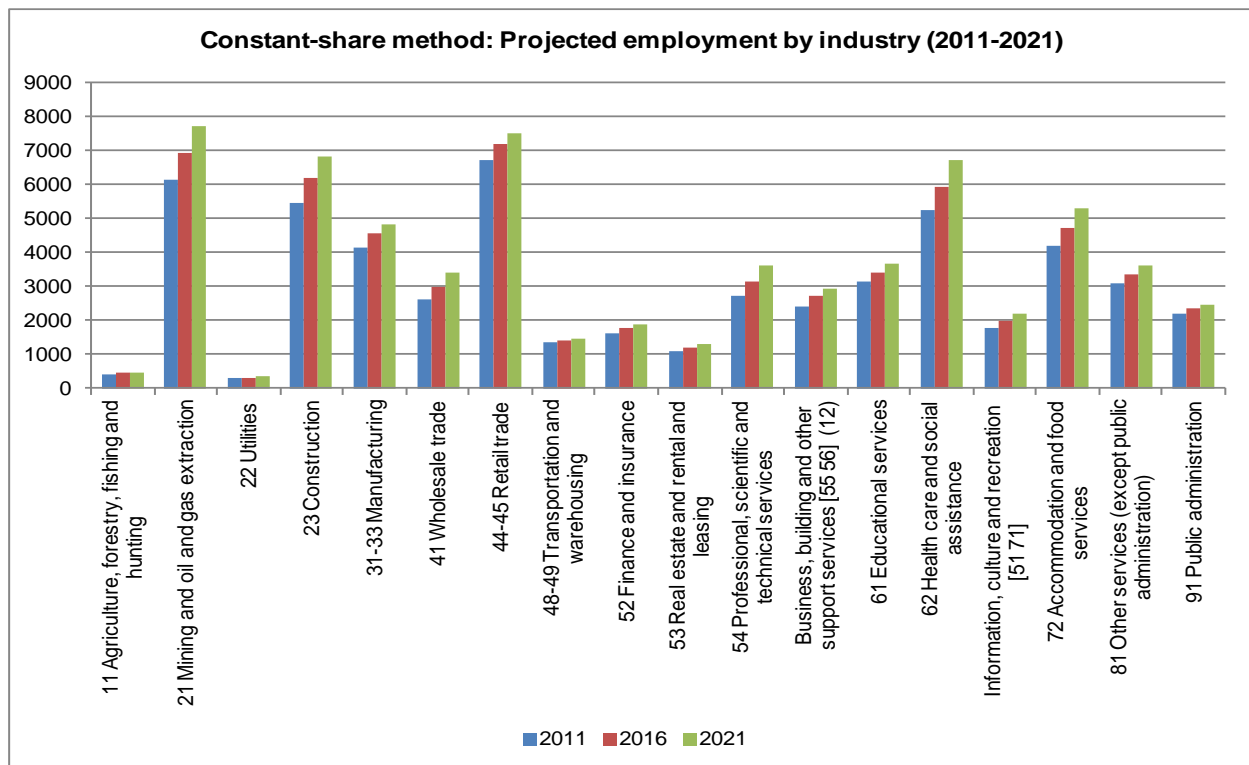
Figure 29: Red Deer Employment Projections by Industry – Constant-Share Method
Source: Urbanics Consultants

8.3.3   Shift-share Projection Technique

The Shift-share method is a variation of the Constant-share technique and recognizes that some local industries might grow at different rates than their counterparts in the reference region. This would assume added importance if the local economy specializes in certain industries and benefits from increased employment in the specific industry. Thus, while the Constant-share technique does not account for such changes (shifts), the Shift-share technique accounts for these changes by recognizing trends and accounting for them in the employment projections. The figure below summarizes the results derived from the shift-share technique.
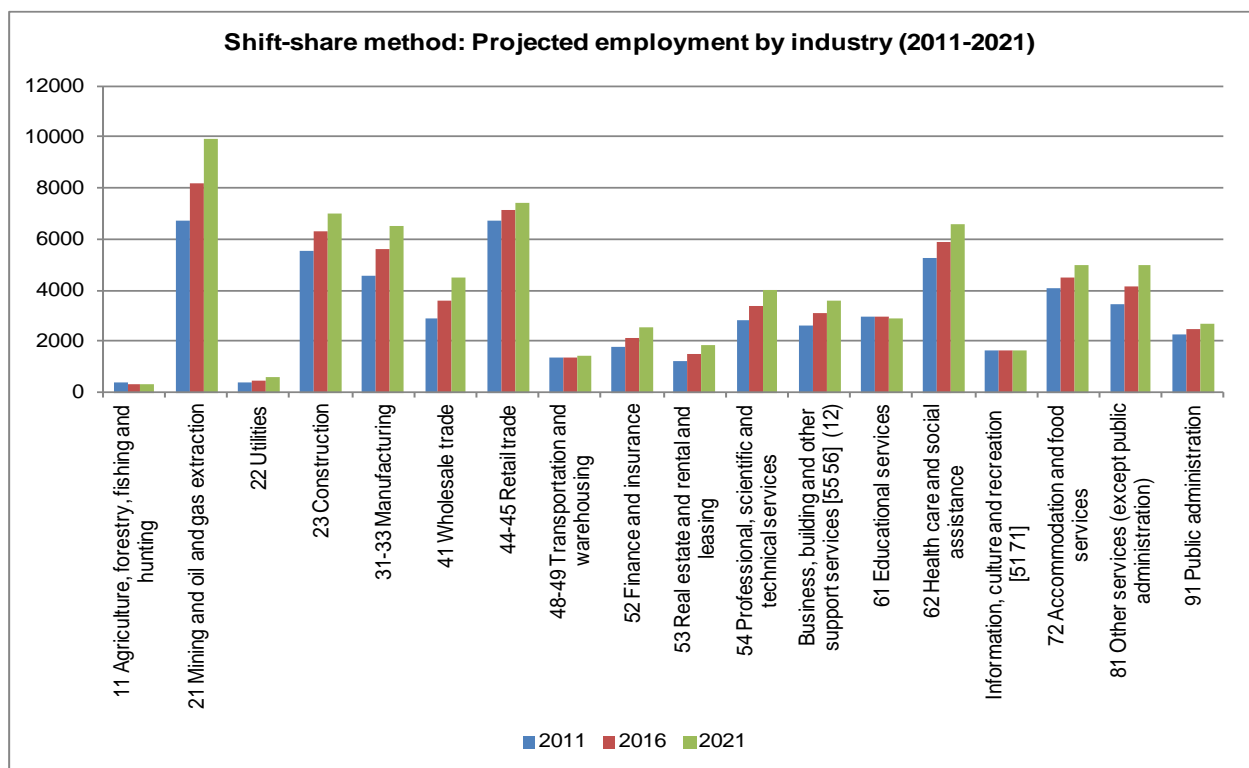
Figure 30: Red Deer Employment Projections by Industry – Shift-Share Method
Source: Urbanics Consultants

8.3.4 Reconciliation of the Three Methods

Figure 31 provides the employment growth projection by industrial sectors for the city of Red Deer by using the three methods, extrapolation method, constant share and shift share method.
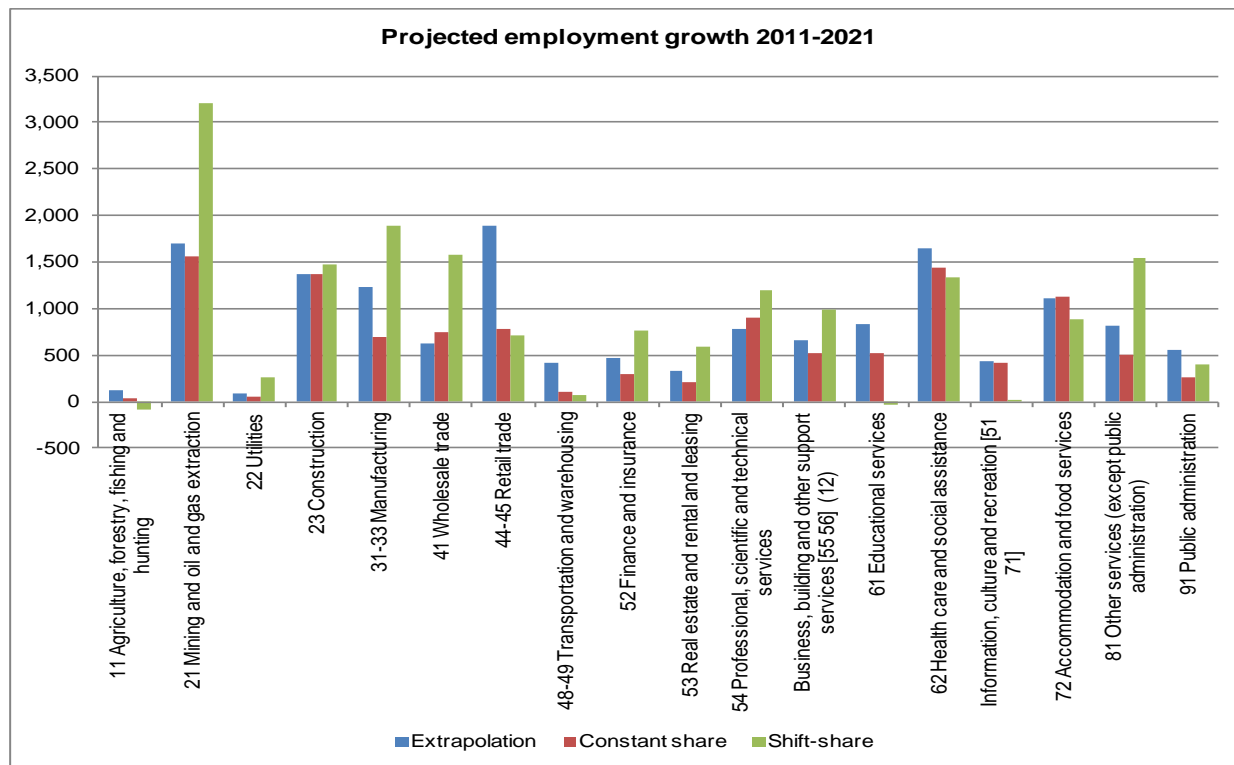
Figure 31: Employment Growth Projections by Industry, 2011-2021
Source: Urbanics Consultants

The growth estimates are largely consistent across the three methods and suggest that the industries that will experience major growth will be the mining and oil and gas extraction, construction and manufacturing industries in the goods producing sectors. Also, among the services sector wholesale trade, retail trade, professional, scientific and technical services, health care and social assistance and accommodation and food services will experience significant growth during the period 2011-2021.

The three growth projection can also be simply averaged to reconcile the differences between the three projection methods. The figure below summarizes the employment growth estimates derived from the three projection methods.
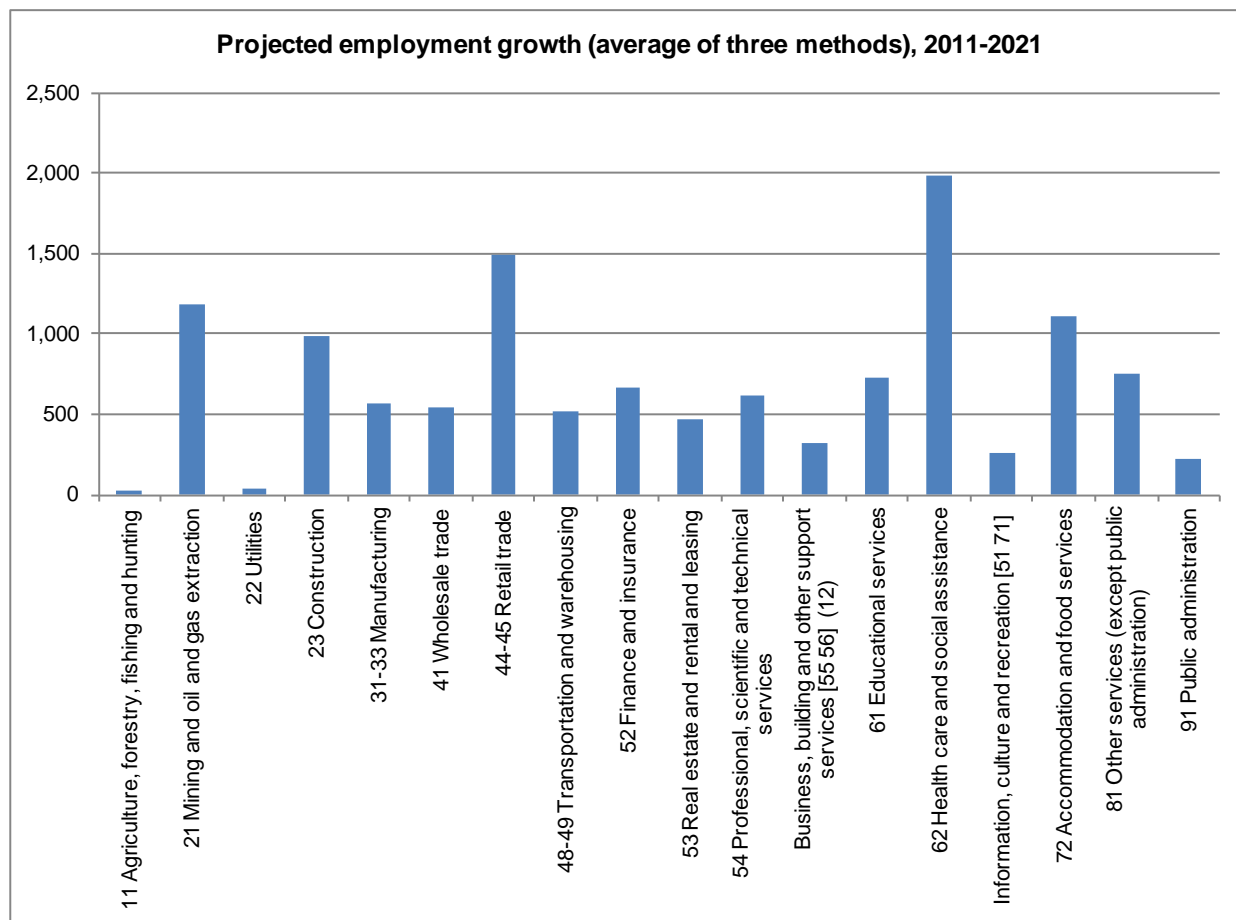
Figure 32: Red Deer Employment Projections by Industry – Average Projection
Source: Urbanics Consultants

According to the projections, Red Deer is expected to add roughly 8,000 new jobs across all NAICS industry categories between 2011 and 2021. The estimates illustrate that the major growth industries in the city are expected to be:

1. Health care and social assistance (2,000 jobs)

2. Retail trade (1,500 jobs)

3. Mining and oil and gas extraction (1,200 jobs)

4. Accommodation and food services (1,100 jobs)

5. Construction (1,000 jobs)

6. Finance and Insurance (600 jobs)

7. Professional, scientific and technical services (600 jobs)

8. Manufacturing (550 jobs)

9. Wholesale trade (500 jobs)

9   Appendix C – Red Deer Industry Profiles

This chapter provides an overview of the chief industrial sectors in the province of Alberta and in the city of Red Deer. as well as key Red Deer businesses. The table below compares the relative proportion of workers per NAICS-defined industrial sector for the city of Red Deer against the province and the nation.

Red Deer Employment 2011	Workers	Share of Labour Force		
Employment share	Red Deer	Red Deer	Alberta	Canada
Goods-producing sector	13,700	25.4%	28.8%	22.1%
Mining, quarrying, and oil and gas extraction	5,500	10.2%	8.1%	2.1%
Construction	4,800	8.9%	10.5%	7.2%
Manufacturing	2,800	5.2%	6.4%	10.2%
Agriculture, forestry, fishing and hunting	350	0.6%	2.8%	1.8%
Utilities	250	0.5%	1.0%	0.8%
Services-producing sector	40,200	74.6%	71.2%	77.9%
Retail trade	7,450	13.8%	11.2%	11.6%
Health care and social assistance	6,100	11.3%	10.6%	12.2%
Accommodation and food services	4,150	7.7%	6.2%	6.3%
Educational services	3,350	6.2%	6.0%	7.4%
Other services	3,350	6.2%	4.9%	4.5%
Professional, scientific and technical services	2,400	4.5%	7.3%	7.4%
Wholesale trade	2,350	4.4%	3.8%	3.5%
Finance and insurance	2,150	4.0%	3.3%	4.5%
Transportation and warehousing	2,000	3.7%	5.4%	4.9%
Business, building and other support services	2,000	3.7%	3.4%	3.9%
Public administration	1,900	3.5%	4.1%	5.5%
Real estate and leasing	1,500	2.8%	1.5%	1.8%
Information, culture and recreation	1,500	2.8%	3.3%	4.5%

Table 14: Employment in Red Deer by Industry and Comparative Workforce Share 2011
Sources: Statistics Canada; Conference Board of Canada; Urbanics Consultants

The top five sectors employing the largest number of employees in Alberta and Red Deer are:

Top Industries by Number of Workers Employed (2011)			
City of Red Deer	Share	Province of Alberta	Share
Retail trade	13.8%	Retail trade	11.2%
Health care and social assistance	11.3%	Health care and social assistance	10.6%
Mining, quarrying, and oil and gas extraction	10.2%	Construction	10.5%
Construction	8.9%	Mining, quarrying, and oil and gas extraction	8.1%
Accommodation and food services	7.7%	Professional, scientific and technical services	7.3%

Table 15: Top industries by number of workers employed in 2011
Sources: Statistics Canada; Urbanics Consultants

9.1   Major Growth Industries in Red Deer

KPMG's 2010 Competitive Alternatives study reports that it is more cost-effective to do business in Red Deer than the Canadian average. Red Deer's growing economy both creates and is

sustained by thriving businesses and many of its traditional and emerging sectors are expanding. The following are brief descriptions of several industries in Red Deer which are expected to grow over the coming years. They include: mining and oil and gas extraction; construction; manufacturing; health care and social assistance; professional, scientific and technical services; and retail trade. Together these six industries are expected to add over 9,800 jobs in Red Deer by 2021.

9.1.1 Oil and Gas Extraction and Mining

Mining and Oil and Gas Extraction is a major part of the Red Deer economy, and as a sector, is one of Red Deer's largest employers. In Alberta, the industry includes companies involved in activities such as: exploring for crude petroleum and natural gas; drilling, completing and equipping wells; operating separators, emulsion breakers, de-silting equipment and field gathering lines for crude petroleum; mining for coal, metal ore, and non metallic mineral mining and quarrying; and other activities in the preparation of oil and gas up to the point of shipment from the producing property.

Including anchor cities Calgary and Edmonton, the Red Deer Corridor is known as Alberta's head office for oilfield production services. The Region's competitive expertise in the oil and gas sector is a source of innovation. Local companies are responsible for advances in information technology, oil service technologies, equipment fabrication and transportation. These emerging sectors are adaptive, nimble, competitive, and are selling products and services to companies around the world.

Major players in Red Deer include; Halliburton Energy Services, Finning, WorleyParsonsCord, Trinidad Drilling, Schlumberger, Manluk Industries, Johns Manville Canada, Alberta Flares Energy Services and others. Less typical than in other industries in Alberta, many workers employed in the mining and oil and gas extraction industries work for larger firms; just over 25% work for firms with fewer than 25 employees, while nearly 25% work for firms with more than 500 employees. That said, a BMO Financial Group study showed that knowledge-based professions and scientific and technical services supporting the oil and gas industry are largely made up of small firms.

Employment in the Alberta mining, oil and gas sector is expected to grow at an average of 2.7% from 2011 to 2015. This industry accounted for 8.1% of total employment in Alberta in 2011, but

is expected to shrink to 6.9% by 2015 as other industries grow more quickly. The city of Red Deer, on the other hand, has a higher than average share of its labour force already engaged in the sector (10.2% in 2011 or over 5,500 people). Those numbers will likely increase by at least 1,500 workers and perhaps by as many as 3,000 by 2021, which would increase the share of workers to 13.5%. This sector is considered by many to be a growth industry.

These projections, of course, are based upon prevailing sentiments on the health of the extraction industries generally and that there will be a ready global market for Albertan commodities. One factor that impacts the viability of the entire Alberta energy sector is the ability to get oil and gas out of the province and to the market. Presently Albertan oil cannot meet demand in part due to pipeline capacity and unless that can be remedied the entire Albertan economy may suffer.

With over 6,000 flights chartered by oil and gas firms annually from Red Deer Airport the city is already a centre of activity for the industry. While already cognizant of its convenient air connection to Fort McMurray the City should work to recruit firms interested in leveraging Red Deer's inexpensive and logistically beneficial location.

9.1.2   Construction

The Alberta construction industry includes companies that construct, repair or renovate residential, commercial and industrial buildings of all types (e.g. houses, apartment buildings, condominiums, office towers, shops, malls, oil refineries, petrochemical plants, power plants, etc.). The industry also includes firms which perform engineering works (e.g. highways, bridges, pipelines) as well as subdivide and develop land. This industry presently employs nearly 10% of the Red Deer workforce.

While there are a few larger firms such as Border Paving, Pidherney's, Northside Construction, and Proform Concrete Services involved in construction in Red Deer, there are many smaller firms (i.e. those with fewer than 25 employees) making up the industry. The Red Deer Chamber of Commerce has 27 member companies involved in the construction trades while the Red Deer Construction Association has dozens more.

The Province of Alberta is expecting construction employment to increase by an annual rate of 4%, increasing the total percentage of the workforce to 11.1% by 2015. Though we project that

the overall number of Red Deer workers employed in construction will increase by 2016, we expect that the percentage of the workforce in construction will actually decrease to less than 9.5% as other industries grow more quickly.

9.1.3   Manufacturing

Metal fabrication, petrochemicals and transportation equipment are just a few of the areas supported by this industry. Also included are manufacturers of food, beverages, tobacco products, textiles and textile products, clothing, coal products, chemicals, plastics and rubber, computer and electronic products and other goods. In 2009, overall sales for manufacturing shipments totalled $55.1 billion; the refined petroleum, food processing, and chemical products sectors reported the highest sales figures. More than 70 local manufacturing companies export their products to over 35 different countries.

Petrochemical production is an important element of Red Deer manufacturing. Within minutes of the Red Deer Region, an expanding cluster of major petrochemical operators including Nova, Dow, and BP Canada Chemicals Co. employ over 1,100 staff, making it the third largest petrochemical cluster in Canada. Another important facet of Red Deer manufacturing is meat production. Major employers include: Olymel, Sunterra Meats and Nossack Fine Meats. Lastly, metalwork and metals fabrication play a large role in the Red Deer manufacturing economy, with Terroco Industries, X-treme Energy Group, IP Fabrications, and Almita Manufacturing employing hundreds of workers along with scores of smaller shops. In all, manufacturing employs about 8.1% of the Red Deer labour force.

Employment in the Alberta manufacturing sector is expected to grow at an average of 2.4% from 2011 to 2015. Manufacturing accounted for 6.8% of total employment in Alberta in 2011, but is expected to shrink to 6.2% by 2015 as other industries grow more quickly. The city of Red Deer, has a lower than average share of its labour force engaged in manufacturing (5.2% in 2011) which will likely continue to shrink (possibly down to 4.98% in 2021).

As with many industries, the manufacturing sector in Red Deer is faced with shortages of skilled labour, often utilizing temporary or permanent foreign workers. Anecdotal evidence suggests that many foreign workers originally hired by manufacturers move to higher-paying oil and gas sector occupations within the within the first few years, thus continuing the shortage of labour for manufacturers. The City can attempt to alleviate this strain on the local manufacturing sector by

removing potential barriers faced by workers: ensuring there is sufficient rental housing priced to be comfortably affordable by manufacturing workers as well as ensuring reliable public transportation access to key employers and districts.

9.1.4   Health Care and Social Assistance

The Health Care and Social Assistance industry includes establishments and services such as: hospitals, nursing and residential care facilities and out-patient care centres; offices of health practitioners (e.g. dentists, doctors, etc.); medical and diagnostic laboratories; home health care services; ambulance services; social assistance services (e.g. for children, youth, the elderly, families); community food, housing, emergency and relief services; vocational rehabilitation services; and daycare services.

The Red Deer Regional Hospital and the Alberta Health Services are major Red Deer employers in this industry. While the industry employs 11.3% of the Red Deer workforce, the industry employs 10.6% of the workforce province wide. This industry is expected to grow as the median age of the graying Canadian population increases. Our estimates indicate an increase of about 1,400 workers by 2021.

9.1.5   Professional, Scientific and Technical Services

The Professional, Scientific and Technical Services industry includes enterprises that make knowledge and skills available to other organizations or to the public, often on a project basis. For example, they may provide: legal services and accounting and related services; architectural, engineering and related services; surveying and mapping services; graphic, industrial or computer systems design services; management, scientific and technical consulting services, research and development services; advertising, public relations or market research services; translation services; and veterinary services.

The industry represented 7.3% of the Albertan workforce as of the 2011 census, but only just over 4.5% in the city of Red Deer. We project that about 4,000 Red Deer workers will be employed in this industry by 2021, increasing the labour share to 5.5%. Major Red Deer employers in this industry include engineering firms Stantec and Genivar and architecture firm Group2. It is probable that these firms selected Red Deer for its prime location and business advantages and they will use this location to service a much wider territory. The City should

explore other firms which offer complementary services to these companies and create conditions favorable to having them relocate to Red Deer.

9.1.6   Retail Trade

The Retail Trade industry includes two types of retailers: stores that attract walk-in customers for products and related services; and non-store retailers who reach customers and market merchandise via other methods (e.g. infomercials, direct-response advertising, catalogues, in-home demonstrations and vending machines). This industry typically has the highest employment levels; over 11% of Alberta's workforce was employed in retail trade in 2011. In Red Deer, there were more workers in retail than there were in mining and oil and gas, about 7,400 people. Major Red Deer employers in this industry include Wal-Mart, Canadian Superstore, Safeway, Home Depot, Canadian Tire and Save On Foods.

9.2   Underrepresented Industries

Given the geography of Red Deer with respect to its surroundings and its place along the Red Deer Corridor, we would expect Transportation and Agriculture to be very prominent industries. Our analysis, however, suggests that these industries are underrepresented among the Red Deer workforce.

Transportation – The Transportation and Logistics industry includes companies that: transport passengers by rail, water, air or road; transport goods by rail, water, air, road or pipeline; and warehouse or store goods. The industry accounts for 5.1% of the Alberta workforce, but less than 2.5% of that of Red Deer. This fact is most surprising given the location of Red Deer along the QE2 Highway on the Red Deer Corridor.

The city is very well situated for national and transborder logistics requiring access to both Edmonton and Calgary. A number of organizations, including Chrysler and Nestle Purina, demonstrate the efficiency of distributing throughout Western Canada and the North Western United States from the Red Deer Region.

Agribusiness – In Alberta the agricultural industry includes a variety of establishments or services: farms, orchards, greenhouses, nurseries and other places that grow crops, plants or trees; ranches, farms, feedlots and other places that raise animals, produce animal products or fatten animals; fishing and trapping activities; and agricultural support services such as planting,

harvesting or management. The industry is almost entirely composed of companies with fewer than 100 employees so it is not likely that a community will have a single major agricultural employer. One important participant is Permolex with more than 50 employees.

With 90% of Red Deer County's land devoted to agricultural production, the Red Deer is positioned to be "a thriving centre for value-added agricultural processing, with tremendous future growth opportunities." Data from the 2011 census, however, shows us that employment in agriculture in Red Deer is measured in the hundreds and accounts for less than 1% of the workforce. It is likely, though, that few people working in the business reside in the city of Red Deer proper, but perhaps in the surrounding rural areas. Red Deer hosts the Agri-Trade Exposition which is an important event for the agribusiness industry, and could be an important venue for the City's endeavours.

10 Appendix D – Red Deer's Competitive Position

This chapter examines how competitive Red Deer is against its neighbors along the Red Deer Corridor as well as similarly-sized Alberta cities for attracting new development, investment and residents. We compare workforce demographics, municipal taxes, developer cost charges and land values to determine where a prospective land user might choose to locate a site.

10.1 The Red Deer Corridor

The Calgary-Edmonton Corridor is the area of Alberta stretching 250 miles (400 km) from Edmonton in the north to Calgary in the south. The corridor accounts for over 74% of the provincial population as of the 2011 census.
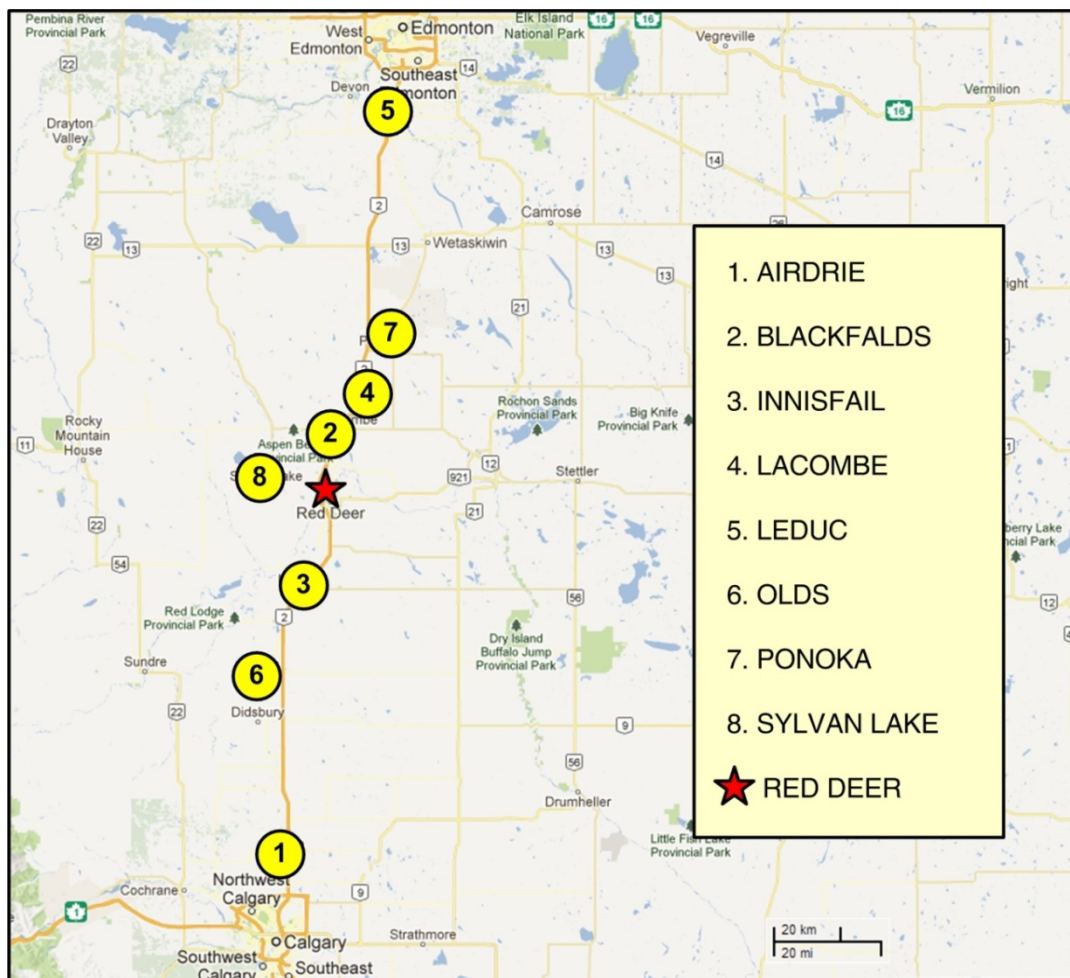
Figure 33: Significant Towns and Cities along the Red Deer Corridor
Sources: Google, Urbanics Consultants

The central spine of the corridor is the Queen Elizabeth II (QE2) Highway which connects the two major cities and several smaller cities and towns along its path. The QE2 Highway is, in turn, paralleled by the Canadian Pacific railroad to its east. The city of Red Deer sits almost perfectly between Calgary and Edmonton along the QE2 Highway, and the corridor is sometimes referred to as the "Red Deer Corridor" and is the term we have elected to use throughout this study. Red Deer benefits enormously from its location and had grown considerably over the years. Though Red Deer is the largest of the cities along the span of the corridor other nearby cities and towns vie for the growth and opportunity being generated by the region. For this reason we have compared Red Deer's key growth metrics with those of a selection of neighboring municipalities which may be seen on the map above.

10.2 Population and Growth in the Red Deer Corridor

The city of Red Deer grew from just over 60,000 inhabitants in 1996 to over 90,500 by 2011, an increase of 50.74% overall with an average annual growth rate of 2.77%. Red Deer's growth exceeded that of the Province of Alberta (2.03% per annum), especially between 1996 and 2006, but has slowed somewhat since then.
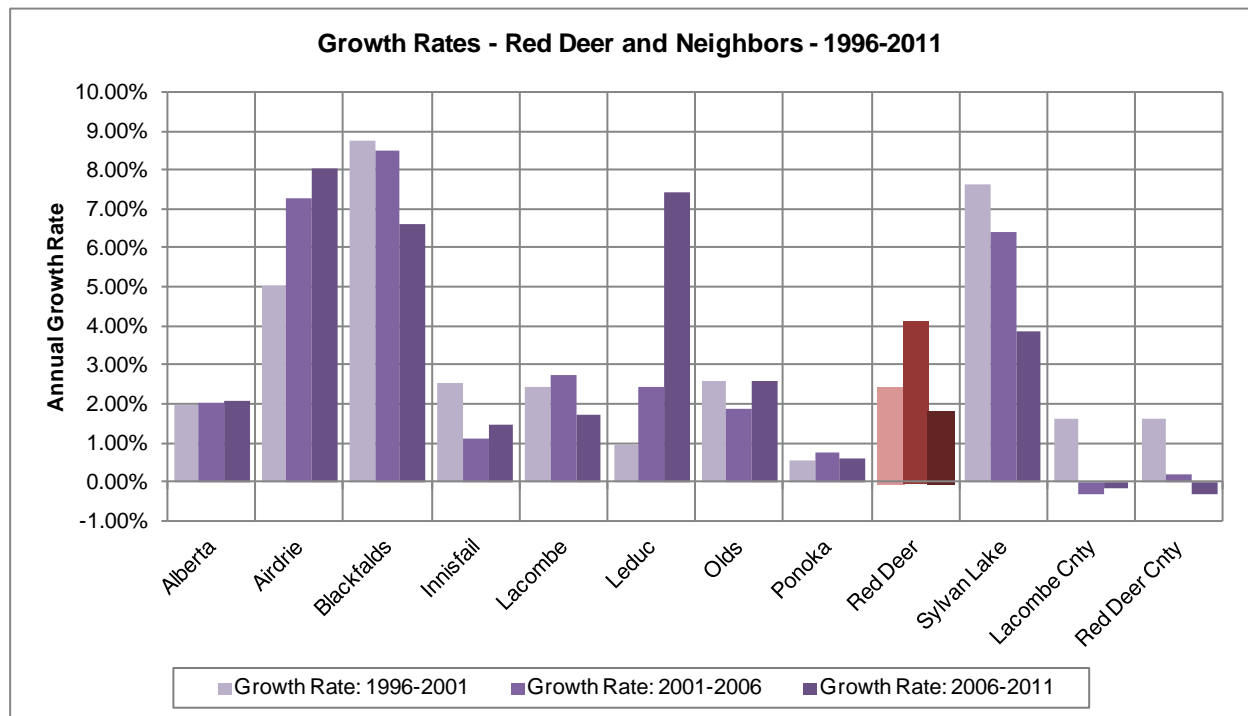
Figure 34: Annual Growth Rates – Red Deer and Neighbors – 1996-2011
Source: Statistics Canada, Urbanics Consultants

Conversely, the towns of Blackfalds and Sylvan Lake have enjoyed explosive growth rates over this time period, outpacing Red Deer's growth rate between 2006 and 2011. The cities of Airdrie and Leduc enjoyed the highest growth rates since 2006, but this growth is mostly due to the suburban expansion of the Calgary and Edmonton areas, respectively. Average annual growth rates for Red Deer and its neighbors may be seen in the figure below.

While it may not have grown quite as quickly as some of its neighbors, Red Deer still enjoys a significant size advantage over every other city and town along the corridor, as can be seen in the figure below.
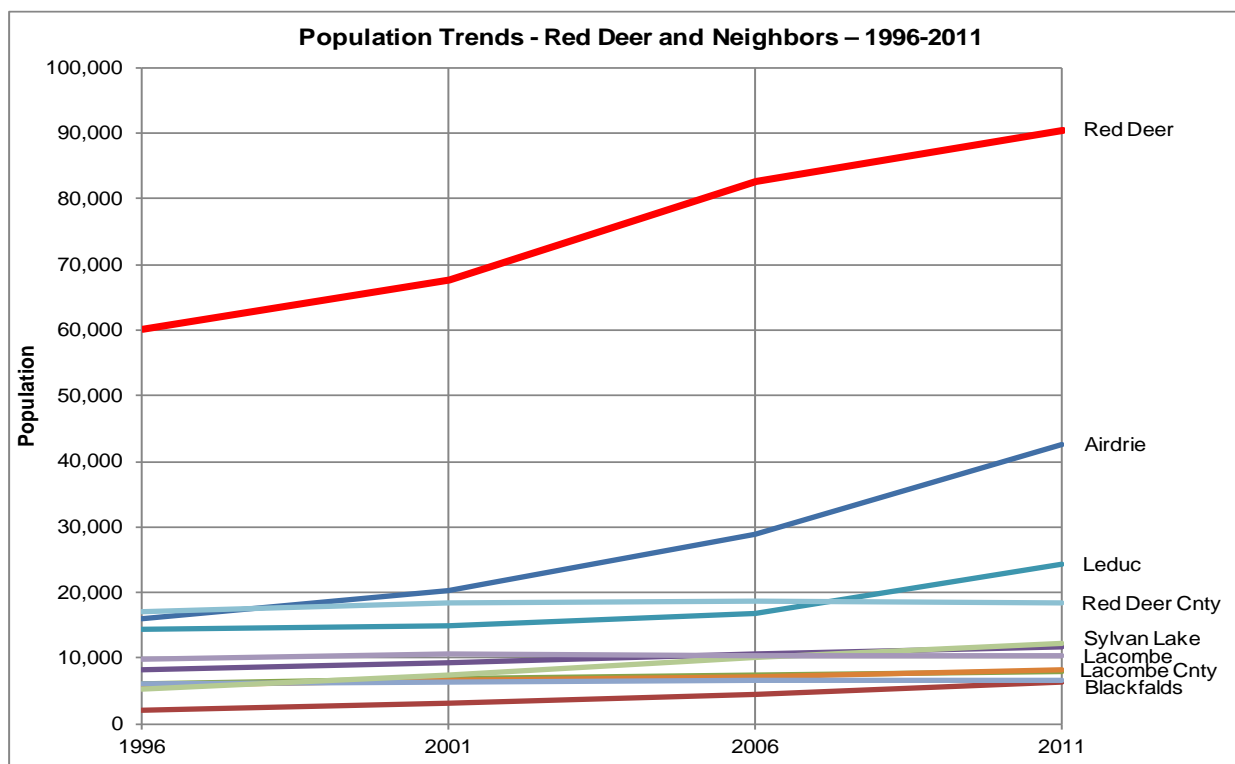
Figure 35: Population Trends – Red Deer and Neighbors – 1996-2011
Source: Statistics Canada

10.3 Working-Age Demographics in the Red Deer Corridor

This advantage manifests as a cohort of working-age residents significantly larger than those of neighboring municipalities; Red Deer has more residents aged 15-64 than Airdrie, Lacombe, Leduc and Sylvan Lake combined, and can be seen in the figure below. Much like the rest of Canada, Red Deer saw a slight graying of its population with a larger proportion of its residents over the age of 45 in 2011 than in 2006. Nonetheless, Red Deer recorded an increase of nearly 5,000 working-age residents between 2006 and 2011.
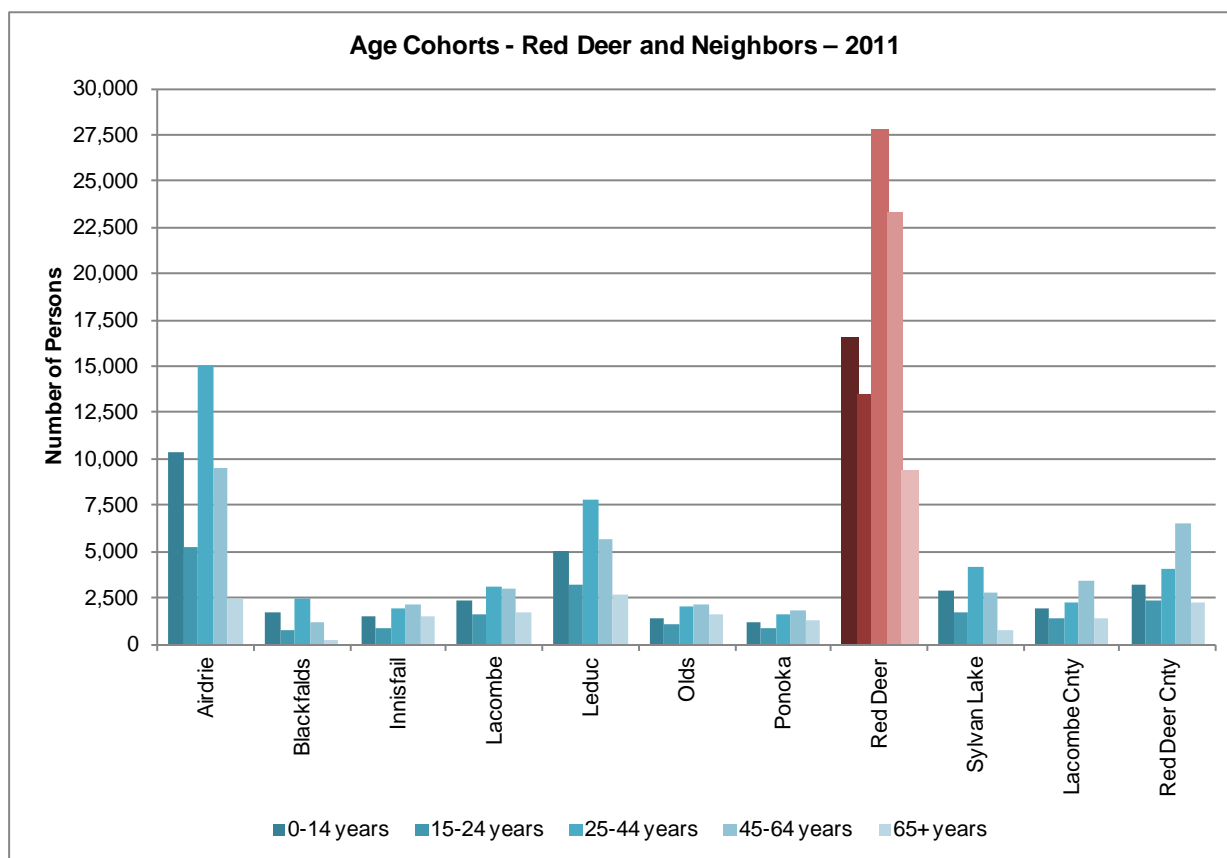
Figure 36: Age Cohorts by Population – Red Deer and Neighbors – 2011
Source: Statistics Canada

As of 2011, Red Deer had the highest share of working-age residents (those between 15 and 64) than its neighbors along the Red Deer Corridor, as can be seen in the figures below.
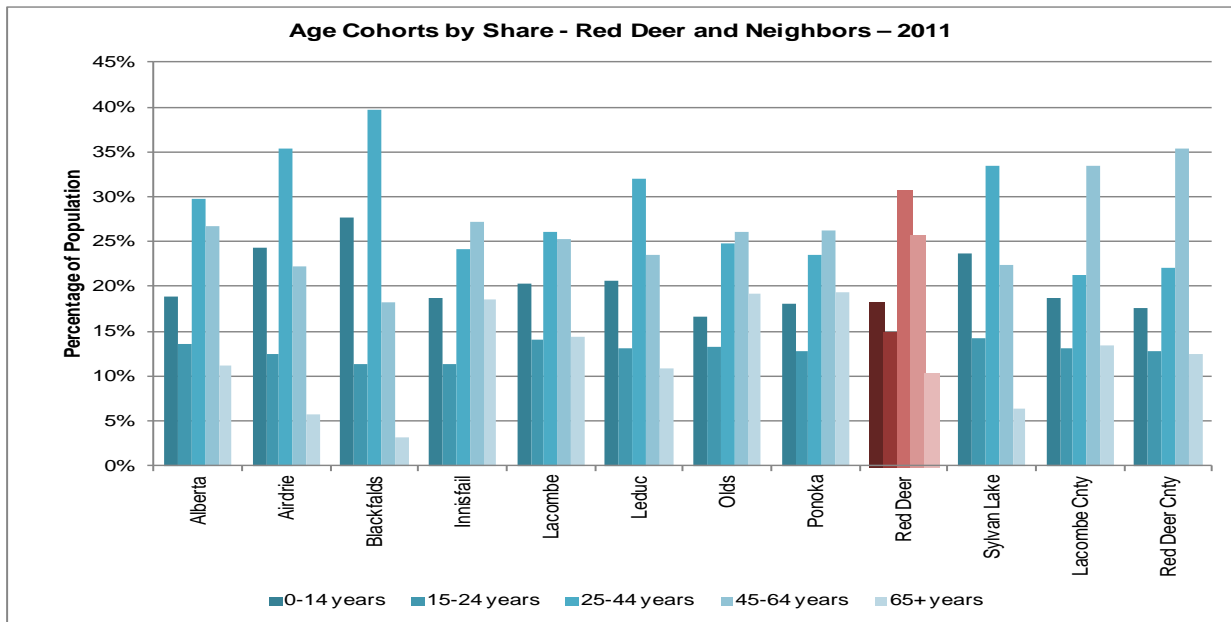
Figure 37: Age Cohorts by Share – Red Deer and Neighbors – 2011
Source: Statistics Canada
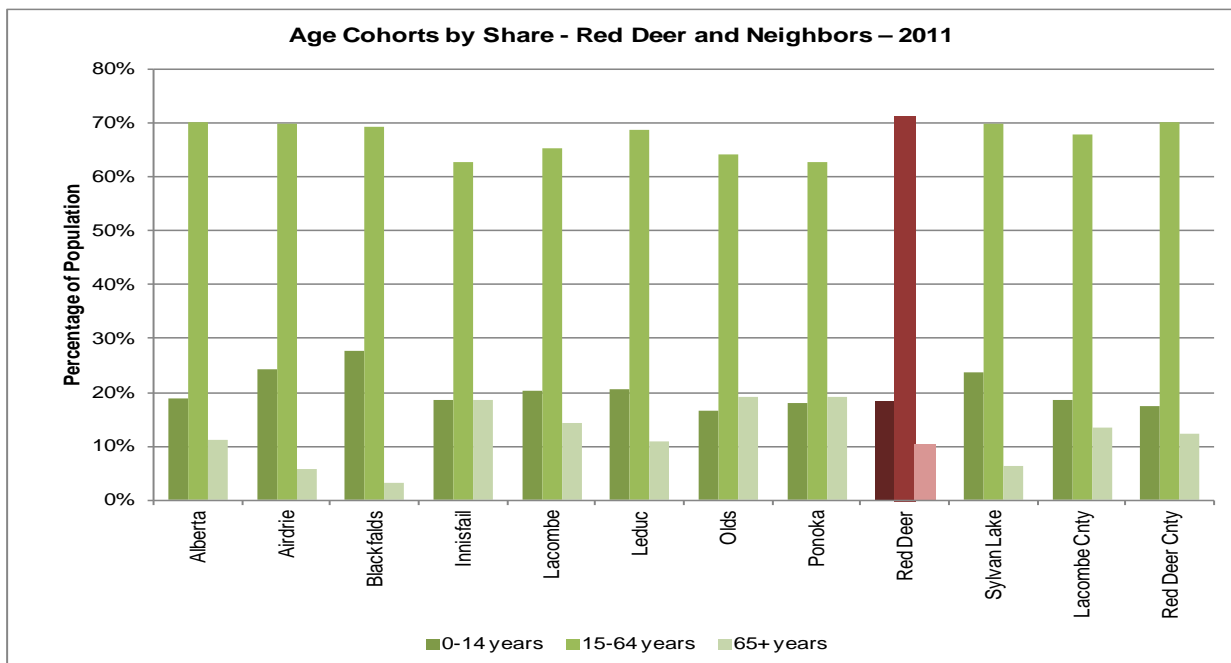
Figure 38: Working-Age Cohort by Share – Red Deer and Neighbors – 2011
Sources: Statistics Canada, Urbanics Consultants

Between 2006 and 2011 the city of Red Deer observed some significant shifts in its age demographic distribution. First, the city experienced a 3-percentage point loss of share in its younger working-age cohort, those in the 15-24 year old range. This was offset by increases in share for all other age cohorts, including a notable increase in share of those aged 45-64, the older working-age cohort. Other cities along the Red Deer Corridor primarily observed losses of share among all cohorts under the age of 45, which is consistent with the broader trend of an aging population. Notable exceptions include Airdrie and Leduc which gained considerable share in the under 15 and 24-44 cohorts, further suggesting the influx of young families into these growing suburbs of Calgary and Edmonton. The figure below shows the shifts in population share for the cities and towns along the corridor.
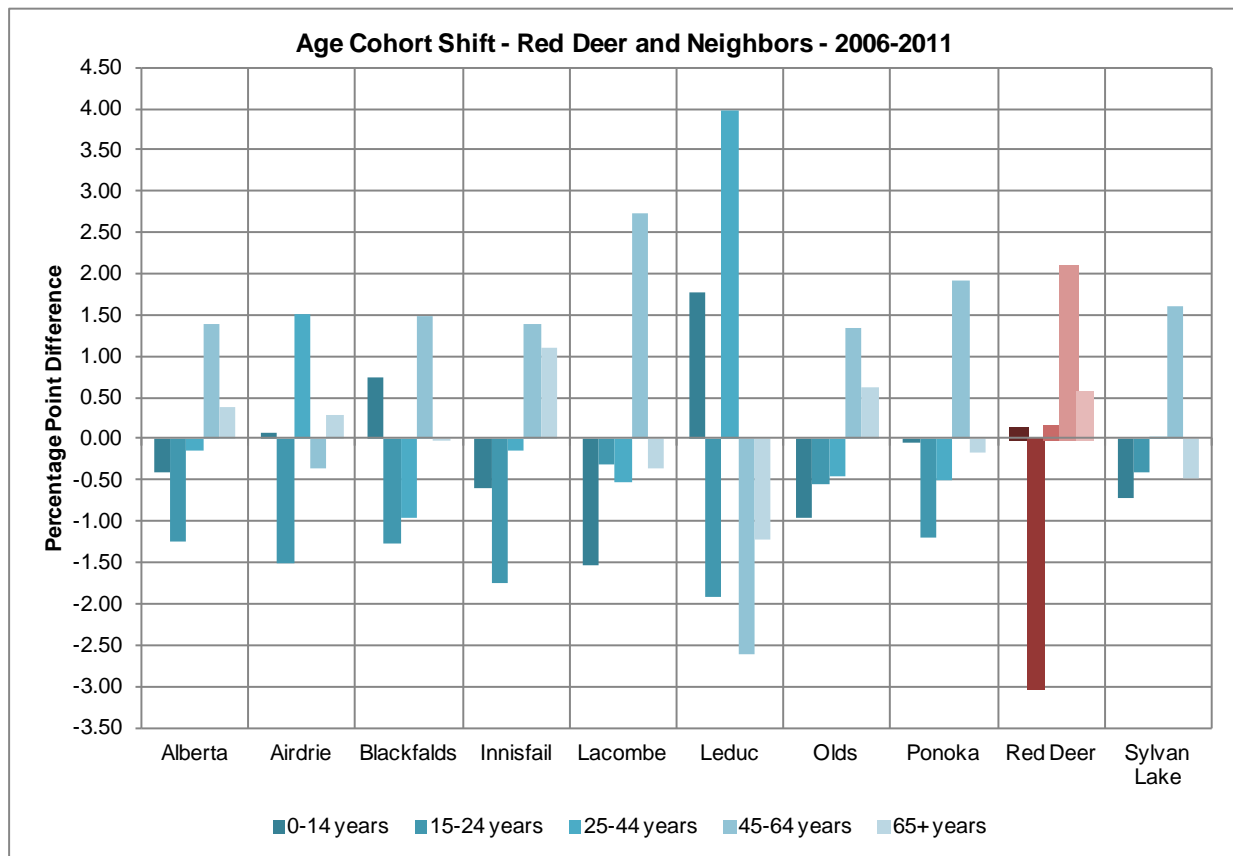
Figure 39: Age Cohort Shift – Red Deer and Neighbors – 2006-2011
Source: Urbanics Consultants

10.4 Municipal Tax Rates

As of May 2013, Red Deer's municipal tax rate (or mille rate) for residential property is 8.69 per every one-thousand dollars of assessed value, and is slightly higher than the average (8.58) for the cities and towns along the Red Deer Corridor; Red Deer's residential rate is precisely the average if Airdrie is not considered. Red Deer does, however, levy the highest non-residential mille rate among the observed municipalities along the Corridor (16.01 per $1,000 assessed value). Business decision-makers considering a move into Red Deer or the Corridor will likely weigh the benefits they accrue from the city against the higher than average non-residential mille rate.
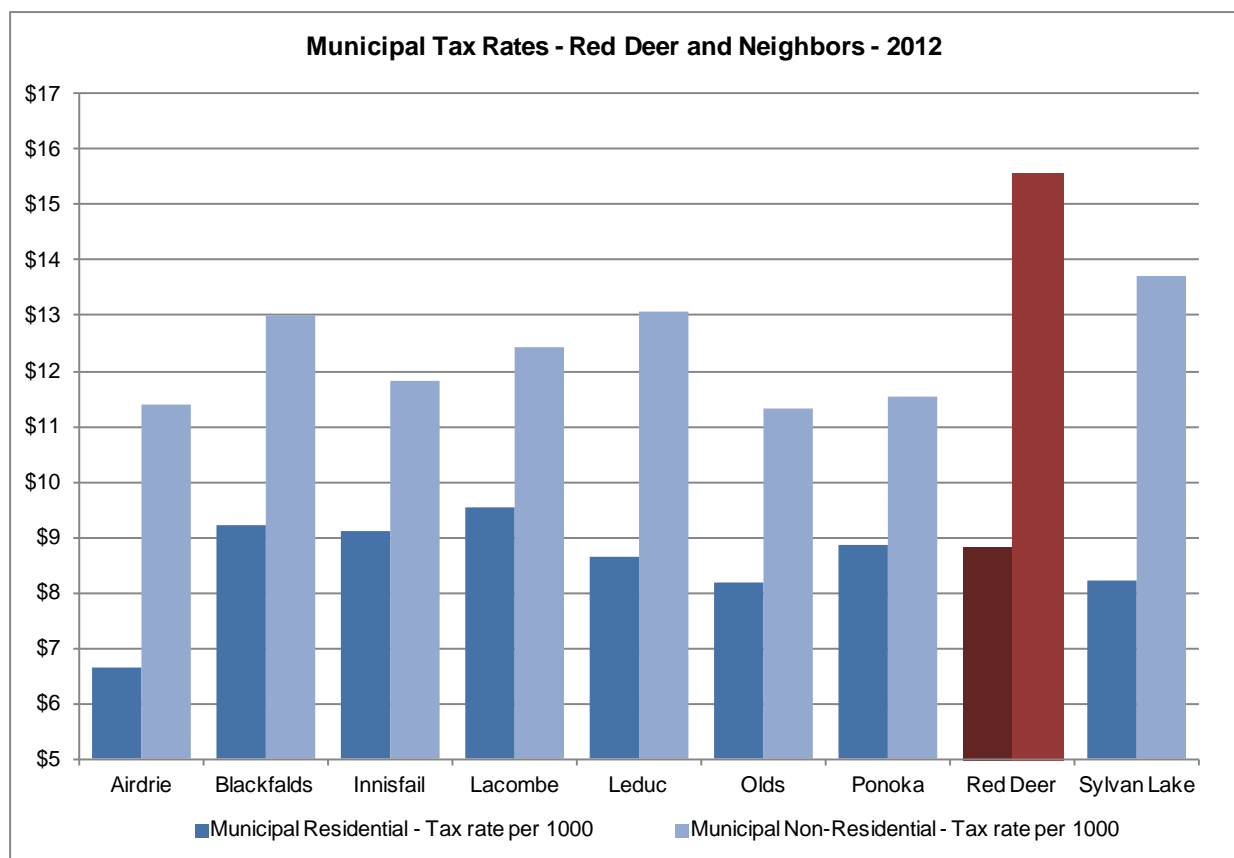
Figure 40: Municipal Tax Rates – Red Deer and Neighbors – 2012
Sources: Websites of the cities and towns included above

10.5 Residential and Non-residential tax split analysis

This section examines whether the property tax burden on non-residential land uses in the city of Red Deer in comparison to similar sized cities in the Province of Alberta, specifically Medicine Hat, Lethbridge and Grande Prairie. To address this issue, we examined the following:

- Assessed Values for each property class in comparable cities
- Per capita assessed values for each of the property classes in comparable cities
- Taxes levied in each of the property classes in comparable cities
- Comparative tax rates as well as share of taxes levied as a share of assessed values in each property class

Comparative evaluation

The city of Red Deer has higher per capita non-residential assessed value of $38,525 in comparison to the City or Medicine Hat ($26,849) as well as the city of Lethbridge ($24,593) but lower than the city of Grande Prairie ($41,972).
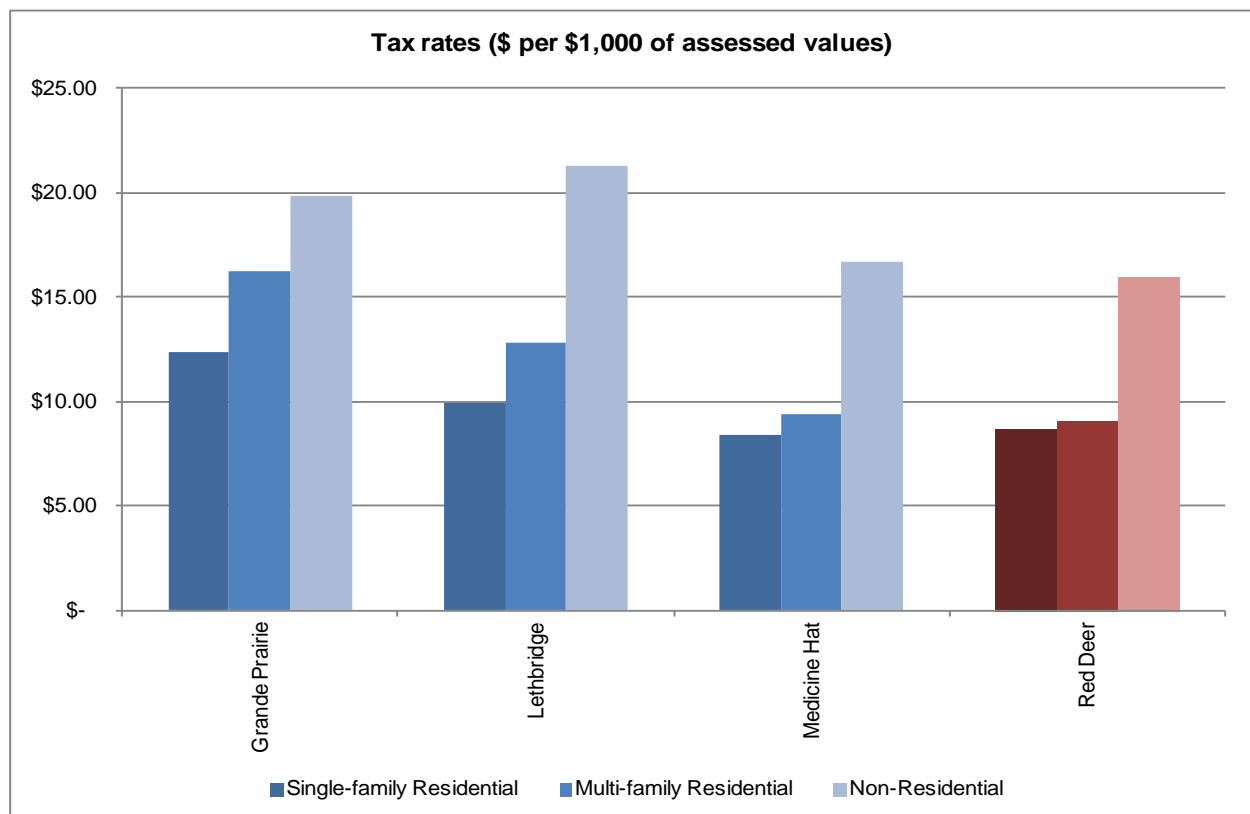
Figure 41: Property Tax Rates - Red Deer versus Cities of Similar Size
Sources: City websites

The share of property taxes for non-residential uses relative to their assessed values is higher in comparison to residential uses; it was 1.601% for nonresidential uses in comparison to 0.869% for residential uses in 2013. However, the share of property taxes for non-residential uses in the city of Red Deer are still significantly lower than that witnessed in the cities of Grande Prairie (1.98%), Lethbridge (2.19%) and Medicine Hat (1.67%). Thus compared to the cities of Grande Prairie, Lethbridge and Medicine Hat the city of Red Deer places a lower tax burden on its non-residential properties.

Taxes as a proportion of assessed value, 2013
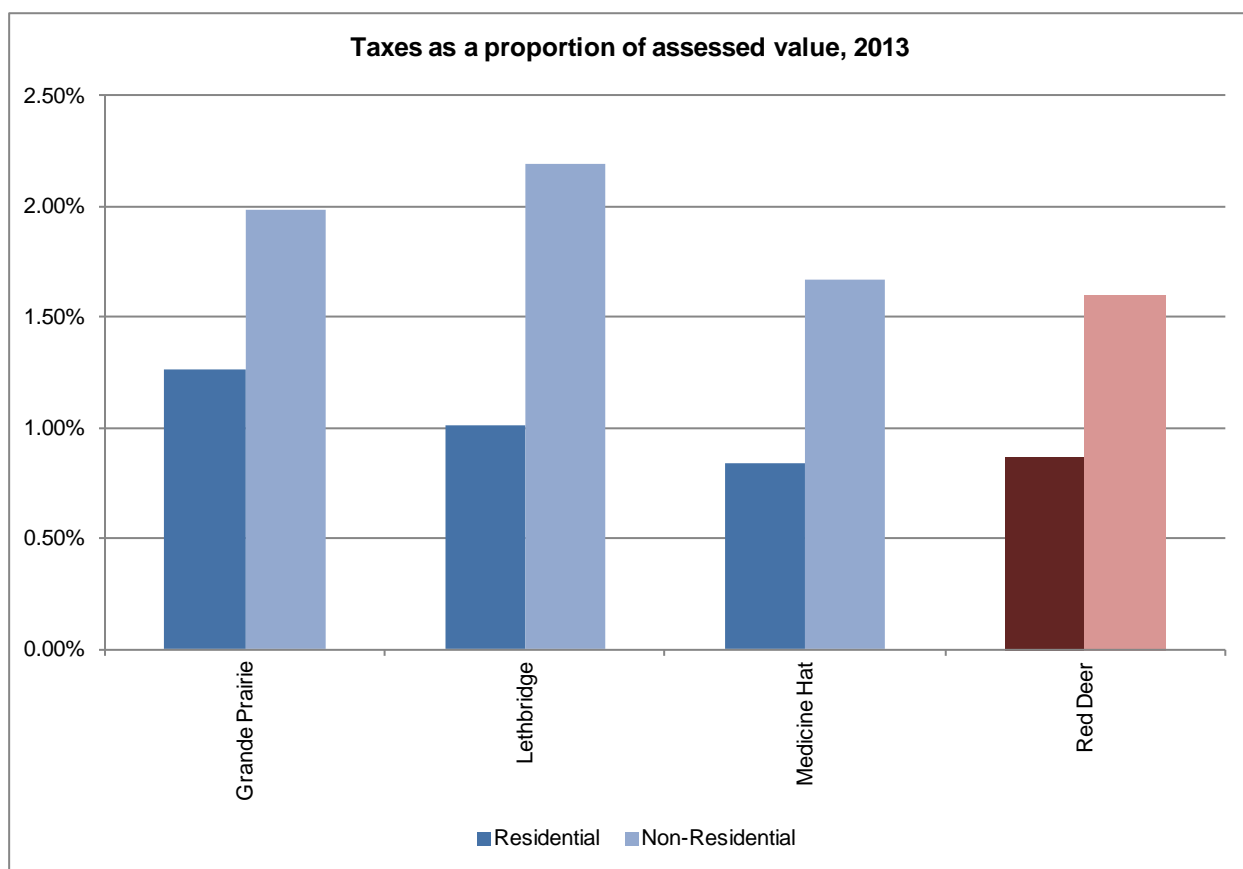
Figure 42: Property Tax Comparisons - Red Deer versus Cities of Similar Size
Sources: City websites

Even in terms of tax rates the city of Red Deer has lower non-residential tax rate of $16.01 per $1000 of assessed value, in comparison to Grande Prairie ($19.81), Lethbridge ($21.32) and Medicine Hat ($16.72)

Based on the above, it is clear that tax rate structure for the City is well within reasonable range in comparison to Grande Prairie, Lethbridge and Medicine Hat. Also, it is unlikely that property taxes will have any negative impact in attracting business investments in comparison to Grande Prairie, Lethbridge and Medicine Hat.

Property Tax Trends in Red Deer

The per capita non-residential properties assessed value in the city of Red Deer grew from $31,185 in 2009 to $36,861 in 2013, roughly an annual growth rate of 3.4% (not accounting for inflation). In contrast the per capita assessed values for residential properties in the City declined during the period 2009-2013; single-family properties declined by .2% annually and multi-family property declined by 2% annually. During the same period, the taxes levied by the City grew at a rate of 4.4% for single-family properties, 4.6% for multi-family properties and 5.1% for non-residential properties (not accounting for inflation).
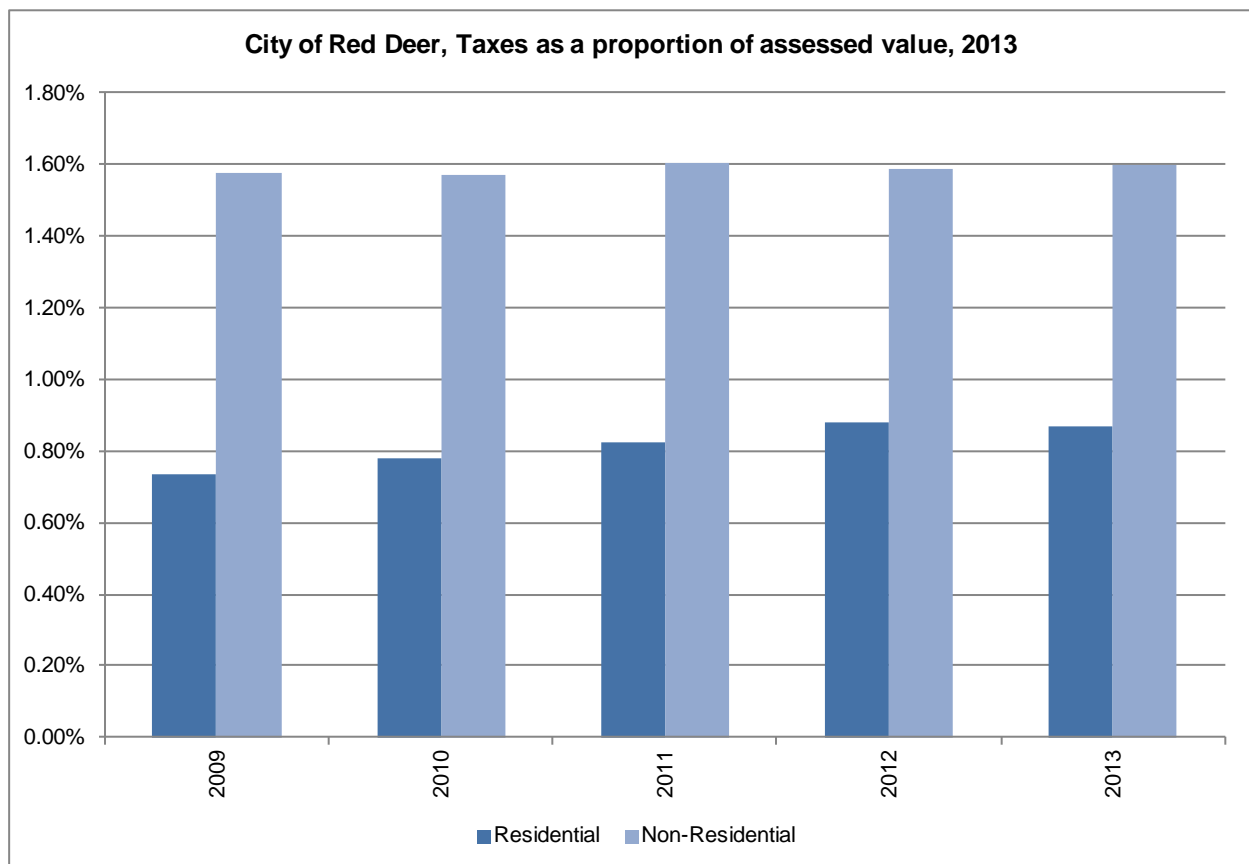
Figure 43: Property Tax Trends - Red Deer 2009-2013
Source: City of Red Deer

As a result, the share of property taxes for residential properties relative to their assessed values increased during the period 2009-2013 from 0.74% in 2009 to 0.87% in 2013; an annual increase of 3.4% during 2009-2013. Also, the share of property taxes for non-residential properties displayed modest increase from 1.57% in 2009 to 1.6% in 2013 an annual increase of only 0.3% during 2009-2013.

Even in terms of tax rates per $1000 of assessed value for non-residential properties grew at 0.3% as compared to annual growth rate for Single-family (3%) and multi-family properties (5.7%).
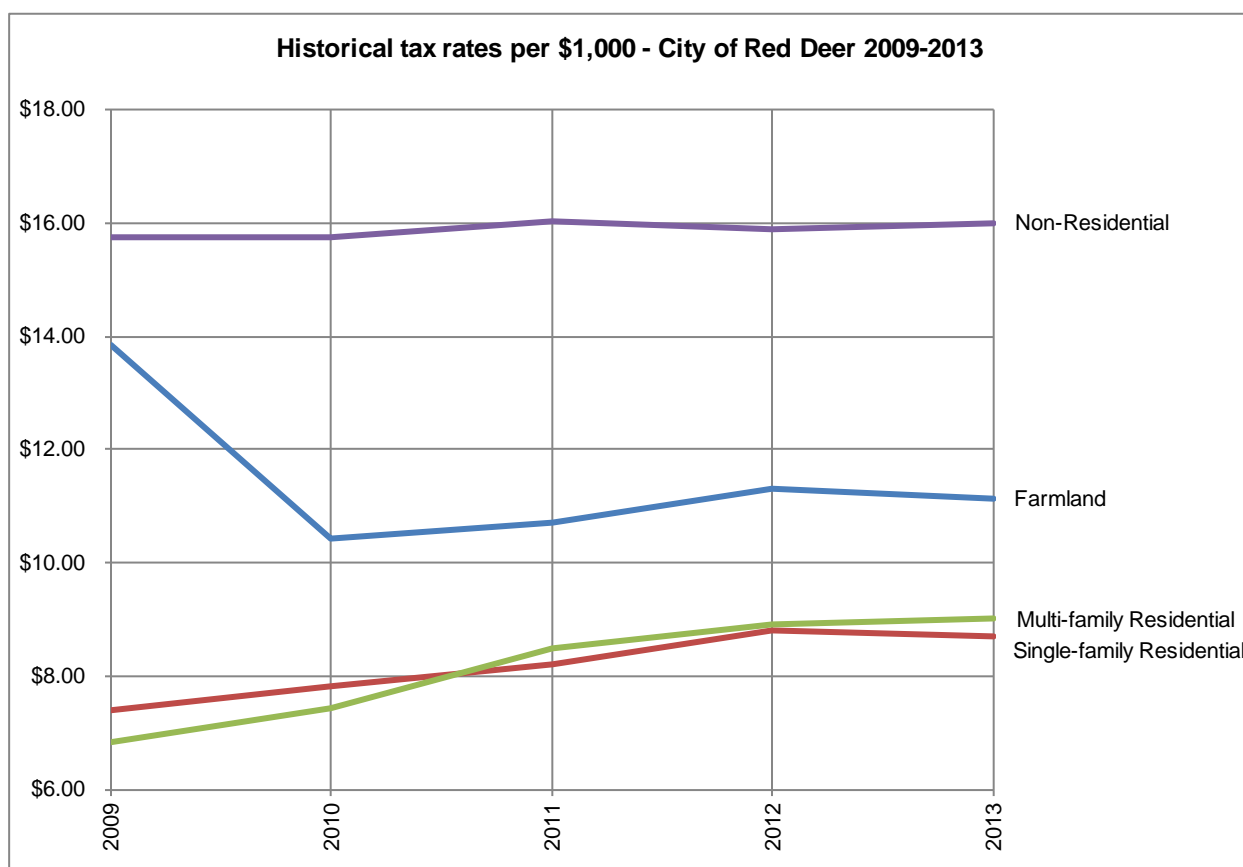
Figure 44: Property Tax Trends - Red Deer 2009-2013
Source: City of Red Deer

Thus based on the historical tax rates as well as tax rates comparisons with Grande Prairie, Lethbridge and Medicine Hat, it is evident that non-residential tax rates in the City are within reasonable limits. It should be noted that the non-residential tax rates in the City are significantly higher in comparison to communities along the Red Deer Corridor. However, higher non-

residential tax rates are expected due to better quality of services and facilities such as police, fire, ambulance service, street lighting, snow plowing, parks, education and senior's housing (Piper Creek Foundation).

Limitations:

This analysis does not examine relative consumption of services by different property classes. This is primarily because consumption based studies typically only account for direct benefits from municipal services but do not address indirect benefits enjoyed by nonresidential properties. Also, it suffers from fair amount of subjectivity in allocating costs of services. Thus a comprehensive consumption based study requires significant amount of time and resources and beyond the scope of this study.

10.6 Offsite Levies and Permit Fees along the Red Deer Corridor

The cities and towns along the Red Deer Corridor levy their charges to developers in various ways; some regimes are very simple while others are somewhat elaborate. These fees are summarized in the Appendices.

10.7 A Simple Example: 10,000 sqft Industrial Building

For example, if a company wanted to relocate or expand in the Red Deer Corridor and needed to build a 10,000 sqft industrial building, how competitive would Red Deer be versus its neighbors? We made some generic assumptions on a single-storey industrial property and applied them through each municipality's fee regime as well as the lowest typical per-acre cost of serviced industrial land. We are also assuming that the land prices include any offsite levies.

	Offsite Levies per acre	Permit Fees	Land Values per acre	Example Project Cost
PONOKA	N/A	$ 5,448	$ 125,000	$ 1,255,448.24
INNISFAIL	$ 4,856	$ 7,299	$ 210,000	$ 1,427,298.80
BLACKFALDS	$ 32,375	$ 1,056	$ 250,000	$ 1,501,056.00
OLDS	N/A	$ 9,160	$ 255,000	$ 1,519,160.00
LACOMBE	$ 27,038	$ 8,987	$ 275,000	$ 1,558,986.96
SYLV. LAKE	$ 7,891	$ 1,679	$ 295,000	$ 1,591,679.00
RED DEER	$ 79,877	$ 7,444	$ 300,000	$ 1,607,444.08
AIRDRIE	$ 62,524	$ 9,409	$ 450,000	$ 1,909,408.84
LEDUC	$ 28,666	$ 8,795	$ 500,000	$ 2,008,794.80

Table 16: Sample Industrial Project Costs - Red Deer Corridor
Source: Urbanics Consultants
Notes: To standardize, costs across municipalities the following assumptions have been made:
- 10,000 sqft industrial building ($1 million improvement costs) on 2.00 acres (SCR=11.48%) of land
- $100,000 for electrical systems, a 1-million BTU gas system and 20 plumbing fixtures

The results suggest that an industrial project in Red Deer would cost more than anywhere else along the Corridor, with the exception of suburban Airdrie and Leduc, but not by much. In this example, building in Red Deer is less than $16,000 more expensive than a comparable project in Sylvan Lake. For an additional 1% project cost, a company could enjoy the locational benefits of being situated in Red Deer as well as infrastructural benefits of curbs, gutters and grit separators. Similarly, our example project in Red Deer is only 3% more expensive than Lacombe, 6% more than Olds and 7% more than Blackfalds. Thus, Red Deer proves itself more than competitive against its neighbors, but would be advised to monitor these comparisons.

11 Appendix E – Land Use and Market Analysis

11.1 Residential Supply and Demand

This section compares projections for housing with recent rates of housing completions.

11.1.1 Residential Demand in Red Deer

As of the 2011 Canadian Census the city of Red Deer had a population of 90,570 people living in roughly 38,800 private dwellings. As stated previously, we project significant population growth between now and 2041. Assuming that the trend toward smaller household sizes has stabilized at 2.33 persons, we can project the number of private dwellings the city will need. Note that if household sizes further decrease, demand for residential units will be even greater.

Housing Metrics	2011	2016	2021	2026	2031	2036	2041
Population (Forecast)	90,570	102,517	115,133	128,409	142,488	158,004	175,726
Household Size (Assumed Stabilized)	2.33	2.33	2.33	2.33	2.33	2.33	2.33
Dwellings Required (Forecast)	38,789	43,999	49,413	55,111	61,154	67,813	75,419

Table 17: Forecast of Red Deer Population and their Housing Requirements – 2011-2041
Sources: Statistics Canada, Urbanics Consultants

By using the number of units required by population growth plus the number of units that need to be replaced in a given year, we can forecast the total demand for housing. We calculated the number of replacement units by assuming that 0.25% of homes are demolished annually; the US average is 0.273%. The results are summarized in the table below:

Source of New Housing Unit Demand	2011-2016	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041
Units needed by additional residents	5,210	5,415	5,698	6,043	6,659	7,606
Units needed to replace demolished units	485	550	618	689	764	848
Total Units Demanded (5-Year Period)	**5,695**	**5,965**	**6,315**	**6,732**	**7,423**	**8,454**
Total Units Demanded (Annual Average)	**1,139**	**1,193**	**1,263**	**1,346**	**1,485**	**1,691**

Table 18: Housing Demand Forecast

For the period 2011-2016 we forecast that an average of about 1,140 new units of housing per year will need to be built to house additional population and to replace units no longer available, while during the period from 2037-2041, Red Deer will need to add roughly 1,700 units annually.

To pursue its goals of denser, more walkable communities, Red Deer will need to adjust the quantities of each housing type built so that the housing stock gradually becomes proportionately less single-detached homes and more higher-density forms. The table below shows the housing share of each type as of the 2011 Census; single-detached homes are the dominant form while higher-density types make up about 41.5% of Red Deer housing. The years that follow show a gradual shift in the share of each housing type such that by 2041

single-detached homes, while still a plurality, are no longer the majority. In order shift that balance, higher-density housing will need to be built as a greater proportion of all new homes.

Housing Type Share	2011	2016	2021	2026	2031	2036	2041
Single-detached House	54.5%	52.1%	49.7%	47.2%	44.8%	42.4%	40.0%
Apartment	21.7%	23.1%	24.5%	25.9%	27.2%	28.6%	30.0%
Semi-detached/Duplex	11.1%	11.7%	12.4%	13.0%	13.7%	14.3%	15.0%
Townhouse/Rowhouse	9.7%	10.1%	10.5%	10.9%	11.2%	11.6%	12.0%
Mobile Home	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Table 19: Possible Scenario for Densifying Housing

A shift like the one shown above could be realized through the mix of new homes being built; the rate of construction of new single detached homes would decrease while the rate of construction for higher density units would increase. The rates of construction to realize the housing mix above is summarized in the table below.

Total New Units Demanded (Forecast)	2011-2016	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041
Single-detached House	2,040	1,912	1,805	1,703	1,689	1,763
Apartment	1,844	2,059	2,306	2,584	2,957	3,459
Semi-detached/Duplex	918	1,022	1,142	1,277	1,459	1,705
Townhouse/Rowhouse	721	790	872	964	1,093	1,270
Mobile Home	171	180	191	204	225	257
Total Units Demanded over 5-years	**5,695**	**5,965**	**6,315**	**6,732**	**7,423**	**8,454**
Average Annual New Units Demanded	**2011-2016**	**2017-2021**	**2022-2026**	**2027-2031**	**2032-2036**	**2037-2041**
Single-detached House	408	382	361	341	338	353
Apartment	369	412	461	517	591	692
Semi-detached/Duplex	184	204	228	255	292	341
Townhouse/Rowhouse	144	158	174	193	219	254
Mobile Home	34	36	38	41	45	51
Average Units Demanded per Year	**1,139**	**1,193**	**1,263**	**1,346**	**1,485**	**1,691**

Table 20: Population and Housing Requirement Forecast
Source: Urbanics Consultants

For the period 2011-2016 we suggest that of the 1,140 new units of housing needed per year about 700 units (or 61%) could be of higher-density construction such as apartments and townhomes. Likewise, during the period from 2037-2041, about 76% of the roughly 1,700 units needed per year would be of higher-density forms. It must be noted that the 2010 Commercial Market Study suggested demand for 180-250 apartments per year. Our study produces a higher number for two reasons: first, our study uses household size from the 2011 census, which is smaller than the figure used in the 2010 study, boosting the number of units; second, our numbers reflect that trends need to change for Red Deer to have more residents living downtown and in higher-density developments overall.

Again these figures are estimates of what would help Red Deer pursue its goals of a healthier, more vibrant and more walkable city. While there is ample evidence to support that denser,

Since the global recession of 2008, home completions have fallen off considerably with an average of 658 units completed per year, as can be seen in the figure below. Thus, in order to simply keep up with the housing needs of its growing population Red Deer will need to double its current housing output.

Red Deer Housing Completions by Type - 2000-2012
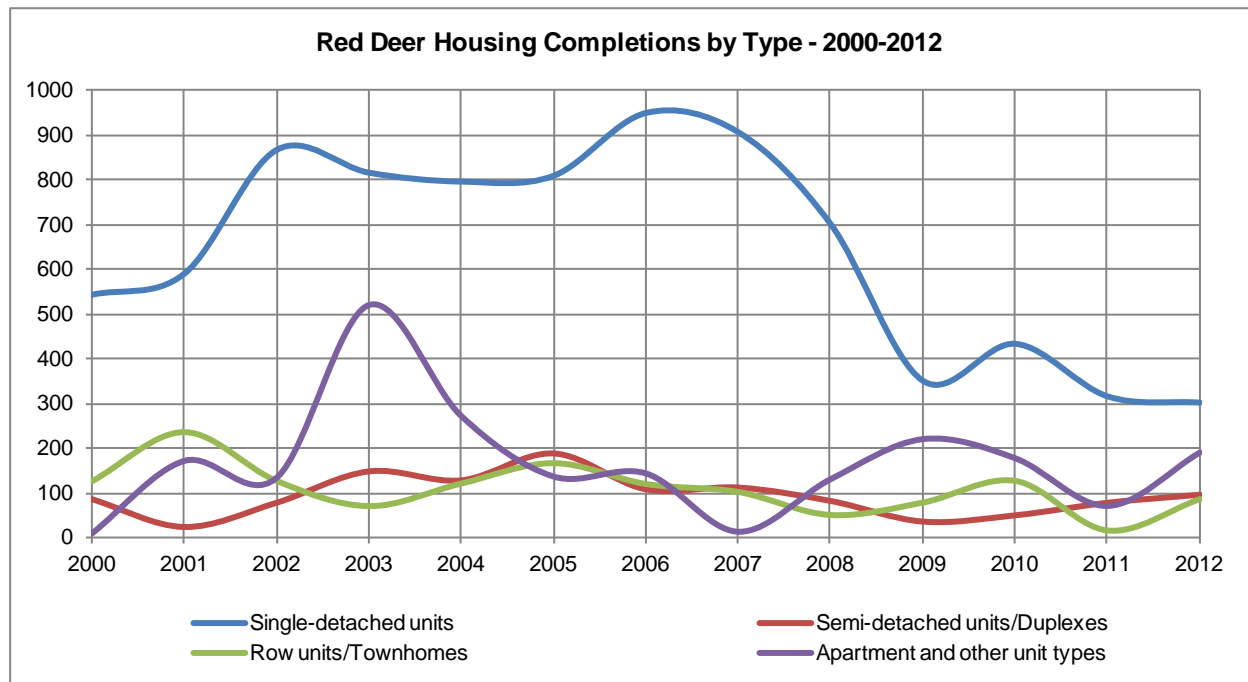
Figure 46: Housing Completions by Type - Red Deer 2000-2012
Source: CMHC

11.1.3 Geographic Distribution of Housing

The physical location of new housing is just as important as how much is being built. Presently most housing in Red Deer is situated in the Northwest and Southeast sub-areas which together hold about 65% of the total housing units and 73% of the single-detached properties. The Downtown sub-area on the other hand holds about 6% of Red Deer's housing but just over 1% of the single-detached stock. Downtown is also home to 22% of the city's apartment stock. Less than 1% of the housing stock was classified as "other" which may includes residences in churches or above commercial uses such as stores and shops; nearly 62% (131 of 212 units) of dwellings in this category are situated downtown.

Red Deer seeks to revitalize its downtown so that it may serve as an engine for citywide prosperity, and increasing the number of residents there would help advance this goal. For instance, if Red Deer saw an average of 190 housing units built downtown each year, or about

15% of total new housing, the share of homes downtown would increase from 6% to 10% by 2031. If 260 homes were built downtown each year, or about 22% of total new housing, 10% of Red Deer homes could be downtown by 2021. Regardless of the actual figures, increasing downtown's share of housing from would increase the vitality and livability of that sub-area and Red Deer as a whole. The present concentrations of housing by type and location are summarized below.

Red Deer Sub Area	All Housing Types	Single Detached & Suites	Townhouse & Rowhouse	Multiplex & Semi-Detached	Apartment	Manufactured Homes	Other
Downtown	6%	1%	1%	0%	22%	0%	62%
Downtown Fringe	13%	13%	16%	11%	16%	0%	11%
Northwest	27%	23%	31%	43%	20%	78%	4%
Northeast	8%	10%	8%	10%	5%	1%	15%
Southwest	8%	3%	14%	4%	22%	7%	4%
Southeast	38%	50%	31%	31%	15%	15%	4%
Red Deer Sub Area	**All Housing Types**	**Single Detached & Suites**	**Townhouse & Rowhouse**	**Multiplex & Semi-Detached**	**Apartment**	**Manufactured Homes**	**Other**
Downtown	2,184	222	25	16	1,790	0	131
Downtown Fringe	5,046	2,726	549	508	1,239	0	24
Northwest	10,505	4,982	1,053	1,976	1,576	909	9
Northeast	3,286	2,183	257	442	362	11	31
Southwest	3,082	554	477	186	1,779	77	9
Southeast	14,521	10,651	1,041	1,437	1,211	173	8
Total Homes (2011)	**38,624**	**21,318**	**3,402**	**4,565**	**7,957**	**1,170**	**212**

Table 21: Red Deer Housing Concentration by Type and Sub-Area
Sources: City of Red Deer Municipal Census, Urbanics Consultants

Below are maps of Red Deer residential neighborhoods and sub-areas. Other areas of the city not covered under residential zoning include job centers and industrial zones.
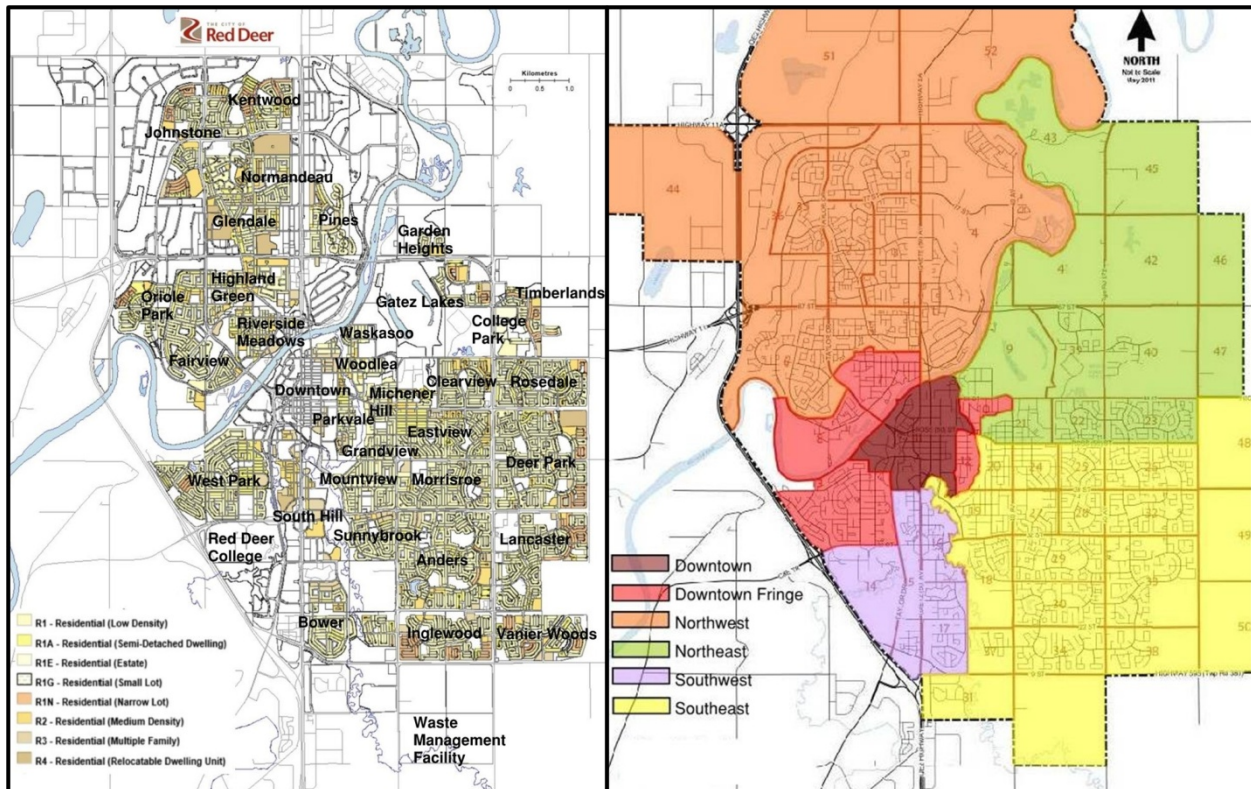
Figure 47: Red Deer Residential Zoning and Sub-Areas
Source: City of Red Deer

11.2 Retail Space Supply and Demand in Red Deer

This section looks at projections for retail demand as well as current retail inventory.

11.2.1 Retail Demand

Demand for retail space is based on projected retail and service spending. This method uses the expenditure potential of a population as well as current levels of retail space productivity (as measured by revenue per square foot) to estimate the amount of retail space that can be supported in a region

The first step is to delineate a trade area that makes the most sense for the situation. Since we are ascertaining retail demand at the city level the primary trade area considered will be the city of Red Deer itself. The assumption is that roughly 100% of Red Deer retail trade can and is satisfied within Red Deer. Given the strategic position of the city along the Red Deer Corridor and perfectly between Calgary and Edmonton we decided that a secondary trade area should include the balance of Red Deer County as well as Lacombe and Ponoka Counties (roughly correlating to Census Division 8). Within these trade areas we needed basic income metrics as found below. They are somewhat dated, but are used only to calculate the provincial factors for the primary and secondary trade areas, that is, how incomes in the trade areas compare to those of the province generally. They are assumed to have not changed greatly since 2006.

Census Facts	Province of Alberta	Primary Trade Area	Secondary Trade Area
Average Per Capita Income	$ 32,276.00	$ 30,709.00	$ 28,888.37
Provincial Factor	1.000	0.951	0.895
Household Size	2.614	2.532	2.647

Table 22: Average Per-capita Income and Household Size – Alberta and Trade Areas - 2006
Sources: Statistics Canada; Urbanics Consultants

We assumed that most retail needs in the secondary trade area would be met locally, but a significant fraction of department store type merchandise would need to be met elsewhere, namely the city of Red Deer; we are estimating that fraction to be about 80%. Beyond the secondary trade area residents are much more likely to shop in Calgary or Edmonton. How much they spend is estimated by Statistics Canada's Survey of Household Spending. The spending levels used in this analysis are summarized in the table below as are estimates for retail productivity.

Retail Category	Annual Provincial Per Capita Expenditures	Sec. Trade Area Capture	Estimated Revenue/Sqft
Supermarkets	$ 2,607.00	5%	$ 502.52
Convenience and specialty food stores	$ 983.00	5%	$ 363.74
Department store type merchandise	$ 6,007.00	80%	$ 204.02
Beer, wine and liquor stores	$ 489.00	5%	$ 291.46
Service Retailers	$ 1,780.00	5%	$ 174.87

Table 23: Average Per-capita Retail Spending and Retail Productivity – 2011
Sources: Statistics Canada; Bizstats.com; Urbanics Consultants

Using facts and estimates of current retail space, as well as our "middle growth" population forecast, we projected the amounts of retail space supported across five general categories: supermarkets, convenience stores, stores selling department store type merchandise, liquor stores and other service retailers. We project that the city of Red Deer should be able to support 8.1 million square feet of retail by 2021 and over 9.6 million square feet by 2031. The details are summarized in the table below.

Retail Category (sqft)	2011	2016	2021	2026	2031	2036	2041
Supermarkets	472,000	533,000	597,000	664,000	735,000	813,000	901,000
Convenience and specialty food stores	246,000	278,000	311,000	346,000	383,000	424,000	470,000
Department store type merchandise	4,823,000	5,315,000	5,837,000	6,342,000	6,875,000	7,434,000	8,019,000
Beer, wine and liquor stores	153,000	172,000	193,000	215,000	238,000	263,000	292,000
Service Retailers	927,000	1,046,000	1,171,000	1,303,000	1,442,000	1,595,000	1,769,000
Total Retail Space Supported	6,621,000	7,344,000	8,109,000	8,870,000	9,673,000	10,529,000	11,451,000

Table 24: Supported Red Deer Retail Space Projections – 2011-2041
Sources: Urbanics Consultants, Coriolis Consultants (for initial retail inventory figures)

Between 2011 and 2021 Red Deer should be able to support an additional 1.488 million square feet of retail space with an average annual growth (over the ten years) of nearly 149,000 square feet across all categories. The supported growth for the different categories of retail is summarized in the tables below. This table shows growth over 5-year periods.

Retail Category (sqft)		2011-2016	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041
Supermarkets		61,000	64,000	67,000	71,000	78,000	88,000
Convenience and specialty food stores		32,000	33,000	35,000	37,000	41,000	46,000
Department store type merchandise		492,000	522,000	505,000	533,000	559,000	585,000
Beer, wine and liquor stores		19,000	21,000	22,000	23,000	25,000	29,000
Service Retailers		119,000	125,000	132,000	139,000	153,000	174,000
Total Retail Space Growth		723,000	765,000	761,000	803,000	856,000	922,000

Table 25: Supported Retail Growth in Red Deer – 2011-2041
Source: Urbanics Consultants

The table below shows the annual growth potential for the different categories of retail within each 5-year period.

Retail Category (sqft)		2011-2016	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041
Supermarkets		12,200	12,800	13,400	14,200	15,600	17,600
Convenience and specialty food stores		6,400	6,600	7,000	7,400	8,200	9,200
Department store type merchandise		98,400	104,400	101,000	106,600	111,800	117,000
Beer, wine and liquor stores		3,800	4,200	4,400	4,600	5,000	5,800
Service Retailers		23,800	25,000	26,400	27,800	30,600	34,800
Total Retail Space Annual Growth		**144,600**	**153,000**	**152,200**	**160,600**	**171,200**	**184,400**

Table 26: Annual Supported Retail Growth in Red Deer – 2011-2041
Source: Urbanics Consultants

We should note that our projections are somewhat lower than those of the 2010 Commercial Market Opportunities Study for several reasons, but mostly because our population projections predict a slower growth rate than those used in 2010, which reduces retail expenditure and ultimately supported floor space.

11.2.2 Retail Supply

Red Deer has over 6.6 million square feet of retail space largely concentrated along the spine of Gaetz Avenue with a large cluster toward the Southwest sub-are of the city, specifically large-format retailers in and around the Bower Place Shopping Centre. The concentration of retail is made apparent on the zoning map found on the following page. Due to the present zoning, it is likely that much (but not all) of the new retail growth will continue to be focused along Gaetz Avenue in the Downtown, Northwest and Southwest sub-areas.

Though most of Red Deer's 6.6 million square feet of retail space is in the form of enclosed malls, strip malls and power centres, one third of that space is not. This would suggest that there is still demand for retail spaces not in those formats which bodes well for placing new retail space downtown.

With a retail inventory of 6,621,000 sqft and a population of 90,575 Red Deer has 73 sqft of retail space for every resident, higher than Medicine Hat's 59.4 sqft per capita and Edmonton's 43.9 sqft per capita. This is likely due to Red Deer being a destination for a fairly populous trade area (over 198,000 people) with a significant fraction coming from outside the city. There is a possibility, however, that Red Deer has too much retail space as evidenced by its slightly higher than average vacancy rates in the power centre and mall formats; vacancies in those formats average 5.17% in Red Deer while Calgary and Edmonton have 1% and 3% vacancy rates, respectively. This, however, may be a temporary aberration and not necessarily indicative of a larger trend.
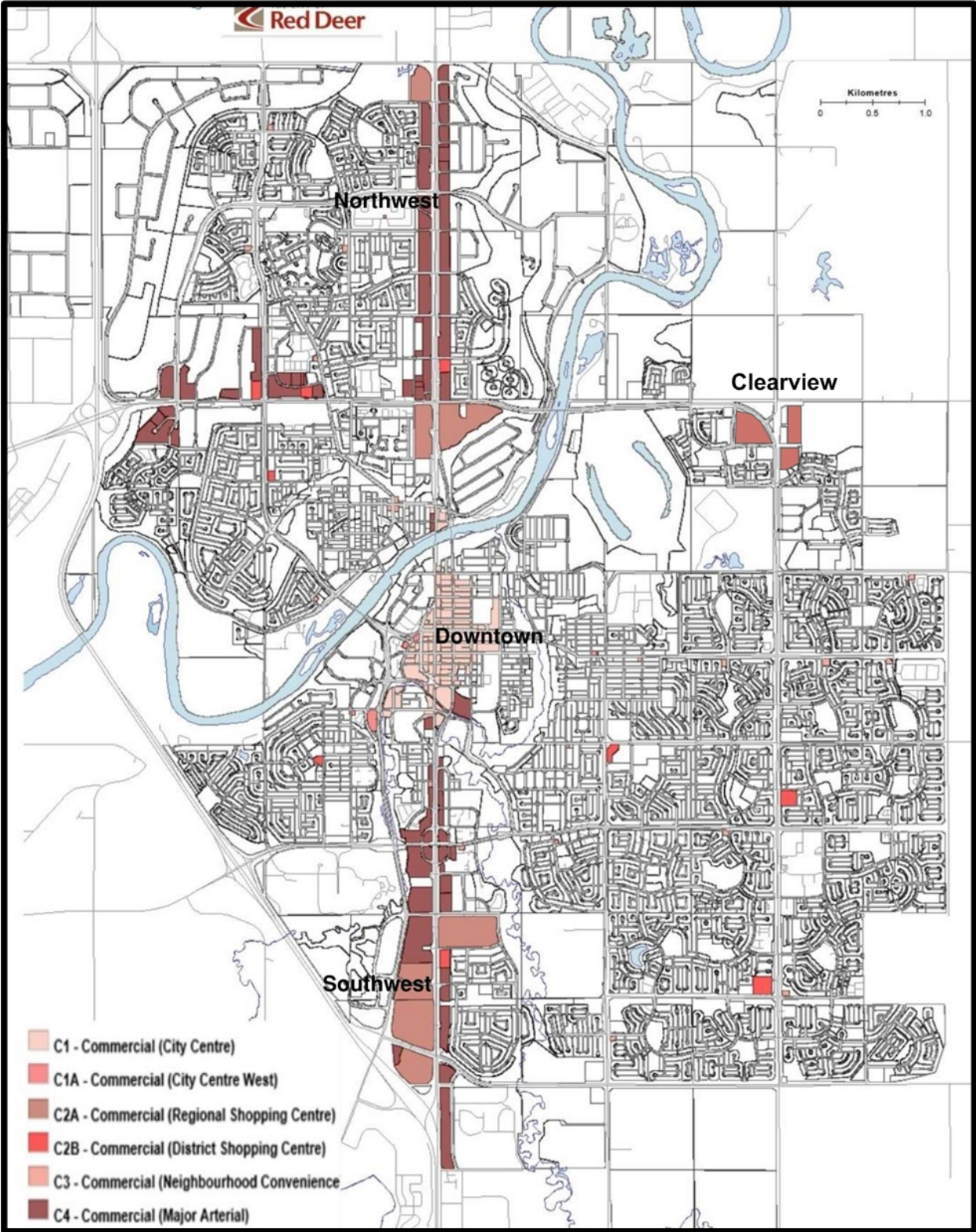
Figure 48: Commercial Zoning in Red Deer
Source: City of Red Deer

11.3 Office Supply and Demand in Red Deer

This section looks at projections for office demand as well as current office inventory.

11.3.1 Office Demand

There are several approaches available for forecasting demand for office space; our preferred approach is to base demand upon forecasts of employment figures for the industries that use it. In this case we used the extrapolation, constant-share and shift-share methods to forecast employment of Red Deer residents across the 18 NAICS industries. The results are summarized below:

Employment Forecasts	Extrapolation Method			Constant-share Method			Shift-Share Method		
Employment by Industry (persons)	**2011**	**2016**	**2021**	**2011**	**2016**	**2021**	**2011**	**2016**	**2021**
Employment in primary industries (1)	5,850	6,622	7,437	5,850	6,551	7,278	5,850	6,171	6,462
Population based employment (2)	26,475	29,970	33,658	26,475	29,122	31,804	26,475	29,829	33,494
Tourism based employment (3)	9,375	10,613	11,919	9,375	10,324	11,270	9,375	10,328	11,282
Industrial based employment (4)	12,200	13,811	15,510	12,200	13,524	14,716	12,200	13,329	14,311
Total Employment in Red Deer	**53,900**	**61,016**	**68,523**	**53,900**	**59,520**	**65,067**	**53,900**	**59,656**	**65,548**

Table 27: Red Deer Employment Forecasts by Type of Industry – 2011-2021
Sources: Statistics Canada, Urbanics Consultants
Notes:
1. Primary industries: include farms, forestry, fishing, hunting and mining and gas extraction
2. Population-based employment includes jobs in FIRE, business service, institutional and 50% of retail trade
3. Tourism-based employment includes jobs in accommodation, food and beverage and other services and 50% of retail trade
4. Industrial-based employment include jobs in manufacturing, wholesale trade, construction, transportation and storage facilities

Using office space figures from 2011 we were able to determine the office space required per-employee was 101 sqft. The fraction of employment for each industry group which uses office space was also estimated and factored into the forecasts. The average forecasted total demand for office space is roughly 2,464,000 square feet by 2021, representing an average annual demand of just less than 44,000 sqft. Average annual demand was derived by multiplying the growth in office employment by the average square footage per employee. The forecasts are summarized in the table below.

Office Space Demand	Total Office Employment (persons)			Total Office Space Demand (sqft)			Average Annual Demand (sqft)		
Projection Method	**2011**	**2016**	**2021**	**2011**	**2016**	**2021**	**2011**	**2016**	**2021**
Extrapolation method (@ 101 sqft/employee)	19,730	22,335	25,083	1,990,385	2,253,160	2,530,372	36,953	52,555	55,442
Constant-share method (@ 101 sqft/employee)	19,730	21,730	23,736	1,990,385	2,192,147	2,394,505	36,953	40,352	40,471
Shift-share method (@ 101 sqft/employee)	19,730	22,028	24,465	1,990,385	2,222,210	2,468,037	36,953	46,365	49,165
Average of the 3 methods	**19,730**	**22,031**	**24,428**	**1,990,385**	**2,222,506**	**2,464,304**	**36,953**	**46,424**	**48,360**

Table 28: Red Deer Office Space Demand Forecasts – 2011-2021
Sources: Soderquist Appraisals, Urbanics Consultants
Notes: Total office employment is based on 10% of industrial-based jobs, plus 50% of the population-based employment and 50% of the employment in tourism and 10% in primary industries

11.3.2 Office Supply

According to Soderquist Appraisals, the city of Red Deer has slightly more than 1.99 million square feet of office space as of 2013, up from 1.4 million in 2010, building an average of 200,000 square feet per year over the past three years. Over 75% of that space is concentrated in the Downtown sub-area which is in keeping with the City's goals of promoting downtown as the focal area for the city's office, commercial and public buildings. The Southwest sub-area is a significant secondary location for Red Deer office space. The location breakdown of office square footage is summarized in the table below:

Sub Area	Office Space (sqft)	% Share	Sub Area	Office Space (sqft)	% Share
Downtown	1,503,065	75.5%	Northeast	4,044	0.2%
Downtown Fringe	40,366	2.0%	Southwest	253,487	12.7%
Northwest	110,424	5.5%	Southeast	78,999	4.0%
Total office space	**1,990,385**	**100.0%**			

Table 29: Red Deer Office Space by Area - 2013
Sources: Soderquist Appraisals, Coriolis Consulting

According to Soderquist Appraisals, the vacancy rate for office property in Red Deer is an average of 12.04%, which is much higher than the 4.5% rate nationally and the 2.8% rate in downtown Calgary. While one may be tempted to conclude that the city has more than enough office space already one must consider the fact that Red Deer is and has been growing rapidly which generates a natural demand. The city's office-using workforce is forecast to grow by over 20% by 2021 and it stands to reason that the city will need to accommodate this growth. One must also consider the possibility that this elevated vacancy rate is caused by a host of other factors, ranging from location to crime rates to building quality.

11.4 Industrial Supply and Demand in Red Deer

This section looks at projections for industrial land demand as well as available inventory.

11.4.1 Industrial Demand

There are several approaches available for forecasting demand for industrial space; our preferred approach is to base demand upon forecasts of employment figures for the industries that use it. In this case we used the extrapolation, constant-share and shift-share methods to forecast employment of Red Deer residents across the 18 NAICS industries. The results are summarized below:

Employment Forecasts	Extrapolation Method			Constant-share Method			Shift-Share Method		
Employment by Industry (persons)	**2011**	**2016**	**2021**	**2011**	**2016**	**2021**	**2011**	**2016**	**2021**
Employment in primary industries (1)	5,850	6,622	7,437	5,850	6,551	7,278	5,850	6,171	6,462
Population based employment (2)	26,475	29,970	33,658	26,475	29,122	31,804	26,475	29,829	33,494
Tourism based employment (3)	9,375	10,613	11,919	9,375	10,324	11,270	9,375	10,328	11,282
Industrial based employment (4)	12,200	13,811	15,510	12,200	13,524	14,716	12,200	13,329	14,311
Total Employment in Red Deer	**53,900**	**61,016**	**68,523**	**53,900**	**59,520**	**65,067**	**53,900**	**59,656**	**65,548**

Table 30: Red Deer Employment Forecasts by Type of Industry – 2011-2021
Sources: Statistics Canada, Urbanics Consultants
Notes:
1. Primary industries: include farms, forestry, fishing, hunting and mining and gas extraction
2. Population-based employment includes jobs in FIRE, business service, institutional and 50% of retail trade
3. Tourism-based employment includes jobs in accommodation, food and beverage and other services and 50% of retail trade
4. Industrial-based employment include jobs in manufacturing, wholesale trade, construction, transportation and storage facilities

From there we determined that about 2,800 additional people will be employed in jobs that use industrial land by 2021. Using industrial land figures from 2011 we were then able to determine an average of 9 employees per acre. The fraction of employment of each industry group which uses industrial land was also estimated and factored into the forecasts. The forecasted total demand for industrial acreage is roughly 2,101 acres by 2021, an increase of about 300 acres or an average demand of about 45 additional acres per year. Forecasts are summarized in the table below.

Industrial Space Demand	Total Industrial Employment (persons)			Total Industrial Space Demand (acres)			Average Annual Demand (acres)		
Projection Method	**2011**	**2016**	**2021**	**2011**	**2016**	**2021**		**2011-2016**	**2017-2021**
Extrapolation method	13,774	15,592	17,512	1,651.6	1,869.6	2,099.8		43.6	46.0
Constant-share method	13,851	15,382	16,775	1,651.6	1,834.2	2,000.4		36.5	33.2
Shift-share method	14,479	16,845	19,313	1,651.6	1,921.5	2,203.0		54.0	56.3
Average of the 3 methods	**14,034**	**15,940**	**17,867**	**1,651.6**	**1,875.1**	**2,101.1**		**44.7**	**45.2**

Table 31: Red Deer Industrial Demand Forecasts – 2011-2021
Sources: Soderquist Appraisals, Urbanics Consultants
Notes: 5. Total employment on industrial land is based on 70% of industrial-based jobs, plus 10% of the population-based employment and 10% of the employment in tourism and in primary industries

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11.4.2 Industrial Supply

The city of Red Deer has 71.9 million sqft (about 1,652 acres) of industrial land and at least 8.4 million sqft of industrial space (a site coverage ratio of 14.25%) spread out over 9 industrial parks. There are also about 1,086 acres of industrial land in the surrounding areas of Red Deer County, outside of city limits. Specific details may be found in the table below.

The industrial districts within Red Deer have an average site coverage ratio (SCR) of 14% coverage ratios, while the districts on the outskirts have an average SCR of only 8% (or an overall average SCR of 11.77%). This indicates a fairly light utilization of industrial land as average SCRs range from 15-30% depending on the use. While the 52nd avenue Industrial District Northland Industrial Park and Riverside Light Industrial Districts have some of the highest site coverage ratios in the city (35%, 23.5% and 28% respectively), most other industrial areas have site coverage ratios between 10% - 16%.

Industrial District	Sub-Area	Acreage	Land (sqft)	Building (sqft)	SCR	Vacancy
52nd Avenue Industrial Dist.	Northwest	20.4	887,988	310,889	35%	2.82%
Chiles Industrial Park	Northwest	51.7	2,250,683	292,426	13%	8.21%
Cronquist Business Park	Downtown	6.8	294,715	112,946	38%	N/A
Edgar Industrial Park	Northwest	450.1	19,604,444	2,497,755	13%	4.45%
Goldenwest Industrial Park	Northwest	220.6	9,609,701	1,506,429	16%	3.09%
Northland Industrial Park	Northwest	146.5	6,380,837	1,497,228	23%	5.51%
Queens Business Park*	Northwest	400.0	17,424,000	N/A	N/A	N/A
Riverside Heavy Industrial	Northwest	279.1	12,159,071	1,229,199	10%	0.00%
Riverside light Industrial	Northwest	76.5	3,332,048	945,323	28%	3.97%
Total Industrial	**Red Deer**	**1,651.6**	**71,943,487**	**8,392,195**	**12%**	**3.70%**
Industrial District	Sub-Area	Acreage	Land (sqft)	Building (sqft)	SCR	Vacancy
Belich Business Park	RD County	56.0	2,440,865	311,322	13%	1.39%
Blindman Industrial Park	RD County	99.9	4,352,951	537,606	12%	3.70%
Burnt Lake Business Park	RD County	234.6	10,221,176	1,130,148	11%	3.31%
Clearview Industrial Park	RD County	121.0	5,269,130	573,770	11%	2.59%
Other Industrial Areas	RD County	519.3	22,620,709	861,297	4%	4.67%
Petrolia Business Park	RD County	55.6	2,422,172	259,808	11%	0.00%
Total Industrial	**RD County**	**1,086.5**	**47,327,003**	**3,673,951**	**8%**	**2.72%**

Table 32: Industrial Districts in and around Red Deer - 2012
Sources: Soderquist Appraisals, Urbanics Consultants
*Note – As of May 2013, Queens Business Park has 100 acres sold, 100 acres serviced but not yet sold and another 200 acres of yet to be serviced land.

The overall vacancy rate for industrial districts in the city of Red Deer is 3.7% and only 2.7% for districts just outside the city limits. These rates fall below what would be considered the "structural vacancy rate" of 5%, indicating heavy demand for industrial space and land. Only Northland Industrial park and Chiles Industrial Park currently experience vacancy rates above

5%. Generally applying these vacancy rates and SCRs to the existing stock of industrial land, we can estimate the land currently available. We estimate just over 50 acres of vacant land in the city's 9 industrial districts while in the surrounding county we estimate another 29.5 acres.

Thus far, The City of Red Deer has been able to accommodate the industrial land needs of local business through its land banking process. Continuing to monitor industrial land use needs and making the appropriate lands available will help to keep the city's economy from stagnating.
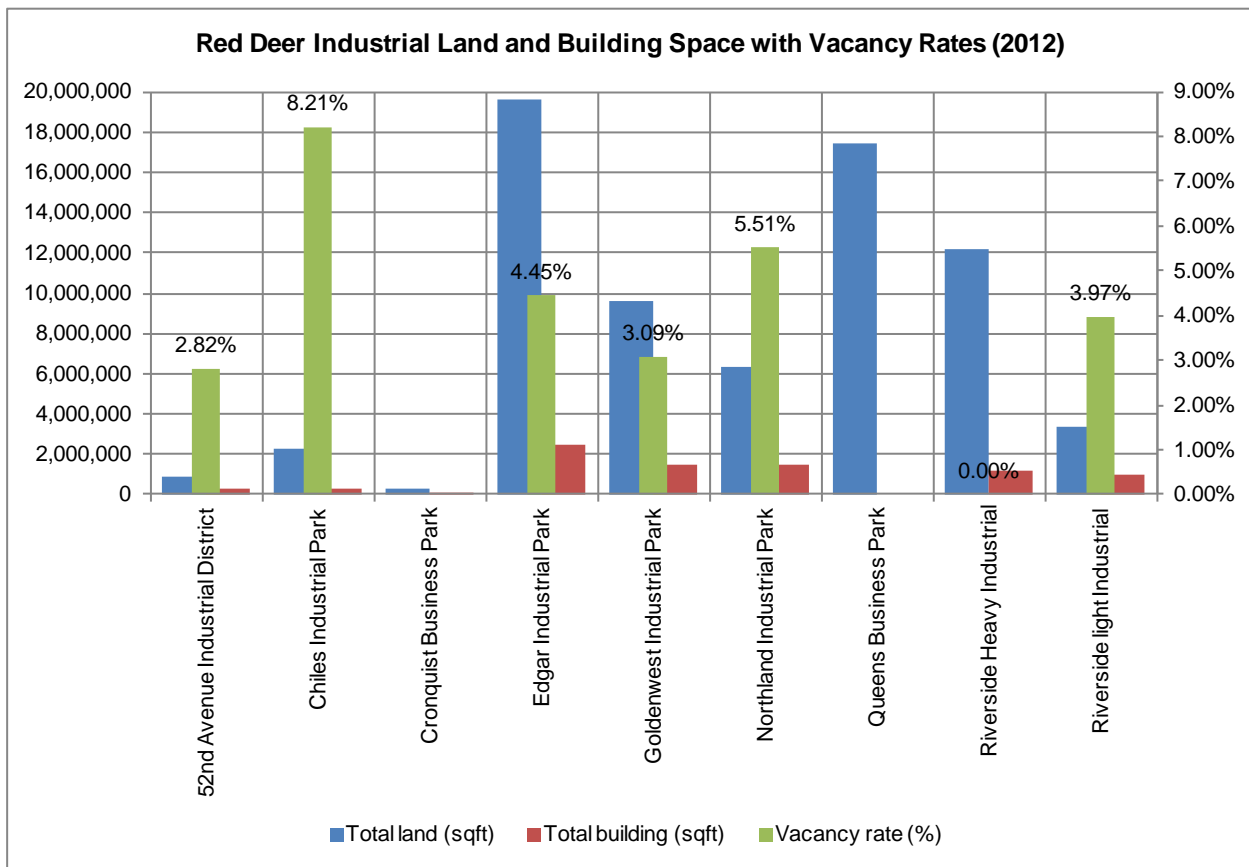
Figure 49: Red Deer Industrial Land and Building Areas with Vacancy Rates (2012)
Sources: Soderquist Appraisals, Urbanics Consultants

11.4.3 Geographic Distribution of Industrial Districts

Almost all of Red Deer's industrial districts are in the Northwest sub-area, accounting for 99.5% of the industrial acreage within the city. The map below shows us generally where the industrial districts lie within the city and in the surrounding areas.
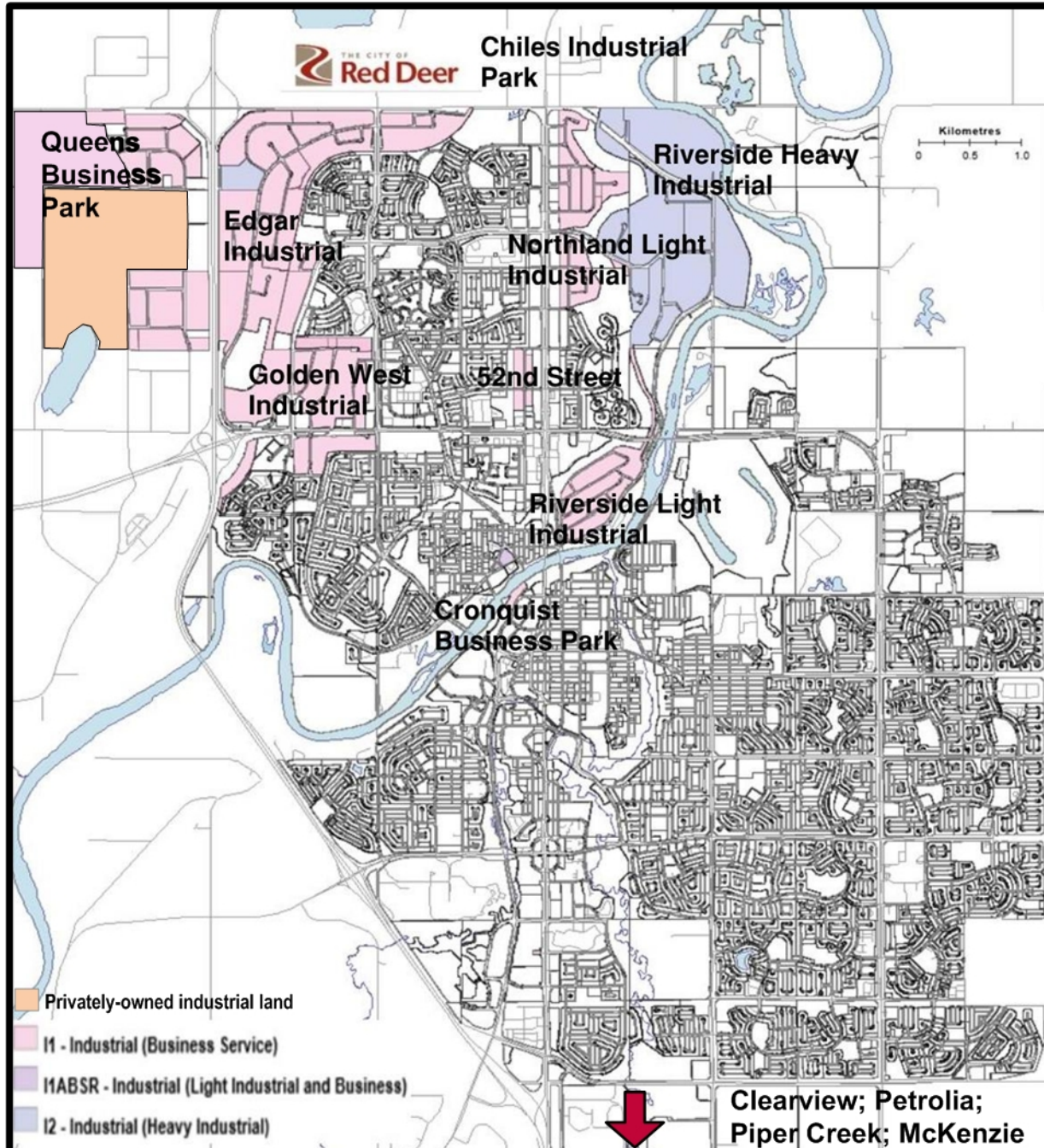
Figure 50: Industrial Districts in the Red Deer Vicinity
Source: City of Red Deer, Soderquist Appraisals

11.5 Land Banking and Economic Development

Red Deer was among the first land banking municipalities in Alberta and has been engaged in the practice since the 1920s. The Land & Economic Development Department uses the Land Bank to fund, develop and market new industrial, commercial and residential land. The City develops land such that businesses may develop and grow, but these lands may also be used to serve other strategic economic initiatives.

11.5.1 Strategic Use of Industrial and Commercial Lands

In its Economy Charter, The City of Red Deer established goals to diversify and stabilize the economy, increase local business and job opportunities, and utilize properties to their potential. A core component of toward accomplishing these goals is encouraging new and more diverse forms of industrial land use. We analyzed the natural growth in new industrial land demand and the results are summarized in the table below:

Projection Method	New Acreage: 2011-2016	New Acreage: 2017-2021	Total New Acreage: 2011-2021
Extrapolation method	218.00	230.16	448.16
Constant-share method	182.65	166.12	348.77
Shift-share method	269.91	281.54	551.45
Average of the 3 methods	223.52	225.94	449.46

Table 33: New Industrial Land Demand Projections – 2011-2021
Source: Urbanics Consultants

According to our analysis industry in Red Deer will have a need for 259 to 367 acres of new industrial land between 2011 and 2021 arising from natural growth. On the other hand, we estimate the amount of available and vacant industrially zoned lands to range between 68 and 93 acres, or enough to accommodate 2 to 3 years of natural growth.

The City is expected to supply lands to meet these needs as it usually does by releasing and selling industrial lands from its land bank. At its present level, the land bank could accommodate the city's natural industrial growth for more than 10 years, notwithstanding additional inventory from purchases or annexation nor acreage devoted to commercial uses. As of the end of 2012, The City of Red Deer had banked nearly 600 acres of industrial and commercial land and 264 acres of undeveloped residential land plus 131 acres of developed residential land. We are assuming that due to the locations of these parcels that they are either already serviced or are readily serviceable. The land bank inventory as it was at the end of 2012 is summarized in the table on the following page.

City-Owned Property (as of 12/31/2012)	Acres	Sqft	Hectares
Undeveloped Industrial & Commercial Land	493.58	21,500,346	199.75
Developed Industrial & Commercial Land	98.70	4,299,372	39.94
Total Industrial & Commercial Land	**592.28**	**25,799,718**	**239.70**
Undeveloped Residential Land	264.04	11,501,582	106.86
Total Raw Land	**856.32**	**37,301,301**	**346.55**
Developed Residential Land	131.00	5,706,360	53.02

Table 34: Red Deer Land Bank Inventory – Year Ending 2012
Source: City of Red Deer –Land and Economic Development Department

Compared to other Red Deer Corridor municipalities The City of Red Deer is a competitive supplier of industrial land for reasons other than its convenient location. First, the City has the capability to assemble parcels suitable for purpose-built industrial land use. Second, Red Deer's ability to remediate formerly brownfield lands allows the City to be a more "eco-friendly" provider of industrial land. The result is higher-quality industrial lands that are more desirable to increasingly environmentally concerned users.

11.5.2 Advancing Economic Development Strategies

In the Economy Charter, The City of Red Deer committed to growing and diversifying its economy. One factor that the city needs to overcome is that it is not fully leveraging the full benefit of its centralized, transportation-oriented geographical location. These attributes can and should be capitalized upon and increase its trade and services to the rest of Alberta. Red Deer should market itself as a business-friendly and logistically strategic location for new manufacturing and, perhaps more importantly, transportation businesses. This would not only help unlock the city's logistics potential but would also serve to reduce the city's vulnerability to business cycles affecting other goods-producing industries.

Red Deer has a track record of successful developments in industrial and commercial properties that help further these economic strategies; one such property is the Queens Business Park. Queens Business Park located south of Highway 11A and west of the Queen Elizabeth II Highway. Totaling 630 acres, Queens Business Park is predominately zoned light industrial with additional commercial and eco-industrial developments. The first phase of over 100 development-ready acres of light industrial and commercial lots is already mostly sold.

11.5.3 Advancing the Design and Movement Charter

As part of its Strategic Direction, Red Deer has also committed to making the city more welcoming, walkable, and environmentally sustainable. This includes providing transportation and housing options to discourage the use of single-occupancy vehicle travel and encourage homes that are more centrally located to jobs and public amenities.

Toward this end we recommend that the City make a concerted effort to increase the share of housing downtown (as percentage of units). For example, building 250 units of housing per year downtown would increase the share of housing there from 6% to 10% by 2021. This would greatly increase the number of people living downtown who may be within walking distance to their places of employment and other necessities. The land bank already has a property for sale that can help facilitate this goal; the 0.42-acre property at 4905 51 Ave is zoned C-1 which would allow for multifamily residential development. The City could encourage that this site be used for residential purposes.

Furthermore, Red Deer observes lower residential vacancy rates than either Calgary or Edmonton. Pushing for more purpose-built rental housing, especially downtown, will help foster a more lively and healthy community and make it easier for newcomers to locate to Red Deer. The City should engage private sector developers and explore incentives for promoting an increased supply of housing. Overall the city will need about 1,000 new units of housing each year, but should assess housing demand on a regular basis.

The City of Red Deer has several residential development projects pursuant to its design and movement charter; these are: Garden Heights, Johnstone Crossing, and Timberlands. Both Garden Heights and Timberlands are proximate to East Hills and their development should facilitate stronger community cohesion among the surrounding neighborhoods. Both developments aim to accommodate the needs of a variety of income groups and lifestyles though a diversity of housing opportunities; this includes residential, multi-family and social care. Both developments also offer plentiful pedestrian walkways and connections to transit. It should be noted that as of this study the first phase of Timberlands is already sold out while Johnstone Crossing is almost completely sold out.

11.5.4 Leveraging Brownfield Sites

Brownfield sites are underutilized parcels which are considered environmentally contaminated due to previous industrial or commercial activity. Common brownfields include former gas station sites and former dry cleaning operations to much more intensive industries, thus the levels of contamination can vary widely. Within The City of Red Deer are 23 privately-owned brownfield sites covering some 30.5 acres. Nearly all of these sites are downtown and may be suitable for higher-density multifamily residential development after appropriate remediation.

As can be seen in the figure on the following page, most private brownfield sites in the city are located in the Riverlands and Railyards districts, which are two of the three districts that the Downtown Business Association considers to be vital to downtown development. According to the City's Greater Downtown Action Plan, the Historic Downtown district is envisioned to remain a prime location for office, commercial and public buildings, Riverlands and Railyards are intended to be mixed use areas with medium to high density residential development. The intention is to create diverse riverfront communities with visitor attractions and convention facilities. These communities will complement the Historic Downtown and help connect it to the riverfront. Nearly every brownfield site in these districts (over 26 acres) are zoned "Direct Control Districts" specifically to keep them aligned with the tenets of the Greater Downtown Action Plan.

Bringing these plans to fruition will require a solution to the brownfield issues in both the Railyards and Riverlands districts. Typically, brownfield remediation is expensive and fraught with extensive liabilities and owners often have little incentive to do anything beyond what is required to simply contain the contamination; it is often not economically feasible to sell, transfer or remediate the property. Moreover, regulations can hold owners liable for contamination issues even after they have sold the property to another party, so often the properties sit vacant or underutilized. Thus, leaving these sites underutilized may diminish the effectiveness of the Railyards and Riverlands redevelopment.

Since brownfield site owners are not inclined to remediate, the City may need to create incentives to promote remediation. Current owners would need to be certain that any ongoing liabilities related to the site would be sufficiently mitigated. The City could explore the possibility of paying into an insurance policy to cover any potential long-term problems with the sites post-remediation. Furthermore, the City should continue to work with Alberta Environment on how

future liabilities associated with these sites might be adjudicated in the future should redevelopment happen.
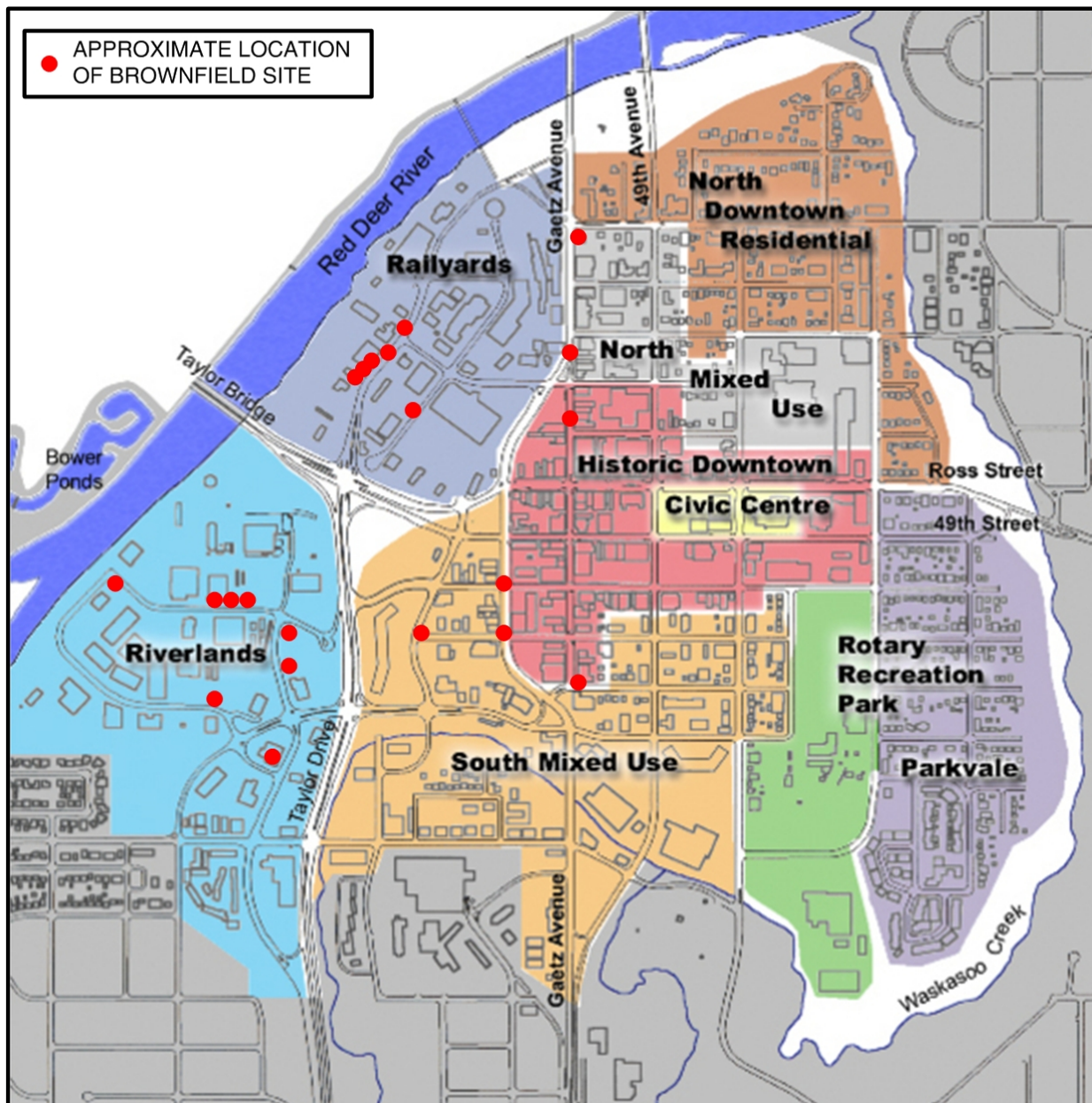
Figure 51: General Locations of Downtown Red Deer Brownfield Sites 2013
Sources: City of Red Deer, Downtown Red Deer Business Association, Urbanics Consultants

11.6 Using Municipal Entitlements

This section illustrates provides a brief description of various municipal development entitlements and ways to leverage these entitlements to shape city's growth, develop beneficial relationship between land use planning and public transit systems, and at the same time, capitalize significant financial and non-financial rewards, particularly from real property assets.

Although the importance of federal and provincial grants and the employment of other strategic public sector resources should not be overlooked, and can represent a very important basis of funding and policy support, they are not examined in this section.

Municipal entitlements are powers vested in the municipal government which can have a direct impact on land development, and provide a significant opportunity to enhance economic and urban development of a neighbourhood. These entitlements fall within three principal categories:

1. Public Activities Concerning Land

The City of Red Deer already plays a big role in land acquisition/assembly through its land banking activities, especially in the industrial and residential land markets. In addition to the above the City can also:

- it can provide land out of its portfolio of publicly-owned land;
- it can enter the real estate market and purchase land;
- it can use or obtain expropriation/condemnation authority to acquire land; and
- it can make use of air rights, subsurface rights, and surface right-of-way leases to expand the possibilities of development.

The City of Red Deer can effectively leverage its use of land assembly/acquisition activities to pursue its development objectives related to Downtown revitalization and economic development.

2. Planning and Development Regulations

The local government has authority over:

- zoning and land use controls;
- development rights, including allocation of densities, fees, and levies;
- the development approval process;

- menu of municipal requirements, including daycare, green space, non-market; housing, seniors' facilities, etc.; and
- intra-governmental or inter-agency cooperation and coordination.

The City can effectively control its own zoning and development processes to streamline various review and approval procedures to create competition or to constrain development.

3. Taxation

The municipal government has a variety of tax tools at its disposal, and can exercise a great deal of discretion with regards to:

- property tax;
- special assessment districts;
- Community revitalization levy;
- tax concessions and exemptions; and
- other tax issues.

The municipal government can take full advantage of these entitlements to explore development opportunities, in particular, land development opportunities, economic development and heritage preservation.

12 Appendix F – Survey Results

The following chapter summarizes the results of the economic development surveys sent to local business owners in Red Deer.

12.1 Subjective Questions

The survey asked 26 questions; while some were selection-based and easily quantifiable, others solicited free-form answers where respondents could write as much as they wanted. Below are summaries of the general themes conveyed by the free-form questions.

12.1.1 Question: If there was one thing you would change in our Region to make it a better place to do business, what would it be?

Roads, Traffic and Infrastructure

A common theme among respondents was the sentiment that the road/street infrastructure was inadequate. Many felt that the current traffic management regime impedes the efficient flow of traffic and that there are simply too many traffic lights. Others said the city needs better roads and an infrastructure more befitting of a city of Red Deer's size and economic function. Though not entirely within the City's authority, some have suggested enhancing the highway between Edmonton and Calgary. Interestingly, there has been some pushback against the bicycle lanes, with some stating that they serve to confuse motorists and pedestrians. Lastly several complained about inadequate snow removal in the winter.

Commercial Land Use and Rent

Several respondents indicated their belief that city zoning and approval policies inhibit small business growth. The most common complaints are: commercial zoning is too restrictive and prevents many businesses from expanding or otherwise having enough space appropriate for their needs; not enough commercial space is available which, in turn, drives up rents; rents are simply too expensive. Several also found that the City's approval process takes too long.

Downtown

Several respondents called for the continued revitalization of downtown, with an emphasis on ensuring sufficient parking. One, however, felt that there are too many nightclubs downtown.

City Government and Taxes

Several respondents complained about the rate of tax increases being too high. Interestingly, several felt that the City itself needs to do more to source its needs from local suppliers rather than from outside the community, while elsewhere in the survey the same respondents said that they themselves order from outside the area themselves largely from necessity or cost savings.

12.1.2 Question: In terms of sales, what are the main services / products that you provide / manufacture or plan to provide / manufacture?

Respondents offered a very wide array of products and services. The most common products and services among those responding involved the building and selling of homes.

12.1.3 Question: Please list the major supplies, materials and services that your company purchases outside of the Red Deer Region, which are not available for purchase in the region.

Respondents largely purchased manufactured goods from outside the region, but contracted services locally.

12.1.4 Question: Which of these goods and services (that your company purchases from outside the region) would you prefer to purchase locally?

Respondents largely stated that what they purchase from outside the region cannot be sourced locally, but intimated that even if local alternatives were available, they would still purchase the lowest cost option irrespective of origin.

12.1.5 Question: What current issues or trends are having a significant impact on your business or industry?

Respondents generally cited one of three major trends significantly impacting their businesses. The first and foremost was the lack of appropriately skilled labour. Next were the effects of the price of oil and other commodities. Also included was the apparently high cost of office and commercial space.

12.1.6 Question: Do you have any specific issues in which the County, City, College or Chamber may be of assistance?

Zoning

Fully half of the respondents cited zoning and other land use issues as areas where The City of Red Deer could be of assistance. Specifically respondents had issue with restrictions on permitted uses in existing zoning types – for instance, some commercial uses may benefit from open built forms, such as high ceiling heights and larger floorplans, which are typically only found in industrial spaces, but do not allow such commercial uses. There was also a general sense that many small business owners simply circumvent restrictions in zoning by operating (often illegally) from their own homes; there are few affordable options available for small businesses to transition from being home-based to moving into a professional space. Several respondents suggested a more flexible approach to both commercial and industrial zoning.

Land Development

Several respondents voice displeasure with the City's "monopoly on land development" suggesting that the City is not meeting the land use needs of local businesses. Furthermore, respondents have described parking downtown as "terrible," suggesting that there is not enough parking downtown to support the City's emphasis on locating office space there.

Roads and Infrastructure

Some respondents complained that the roads accessing the Queens Business Park were inadequate, though were not specific. Also some felt that the City could do a better job clearing snow in the winter, and that more rock salt was not the answer.

Chamber of Commerce

Some respondents perceive a lack of effectiveness on behalf of the Chamber of Commerce in addressing local business needs.

12.1.7 Please list the countries that you export to, if any?

The list of more than 60 nations featured the United States and Mexico.

12.2 Quantifiable Questions

The following are graphical presentations of the answer choices selected by the respondents.

12.2.1 How would you rate our city as a place to do business?

Rate the city as a place for doing business
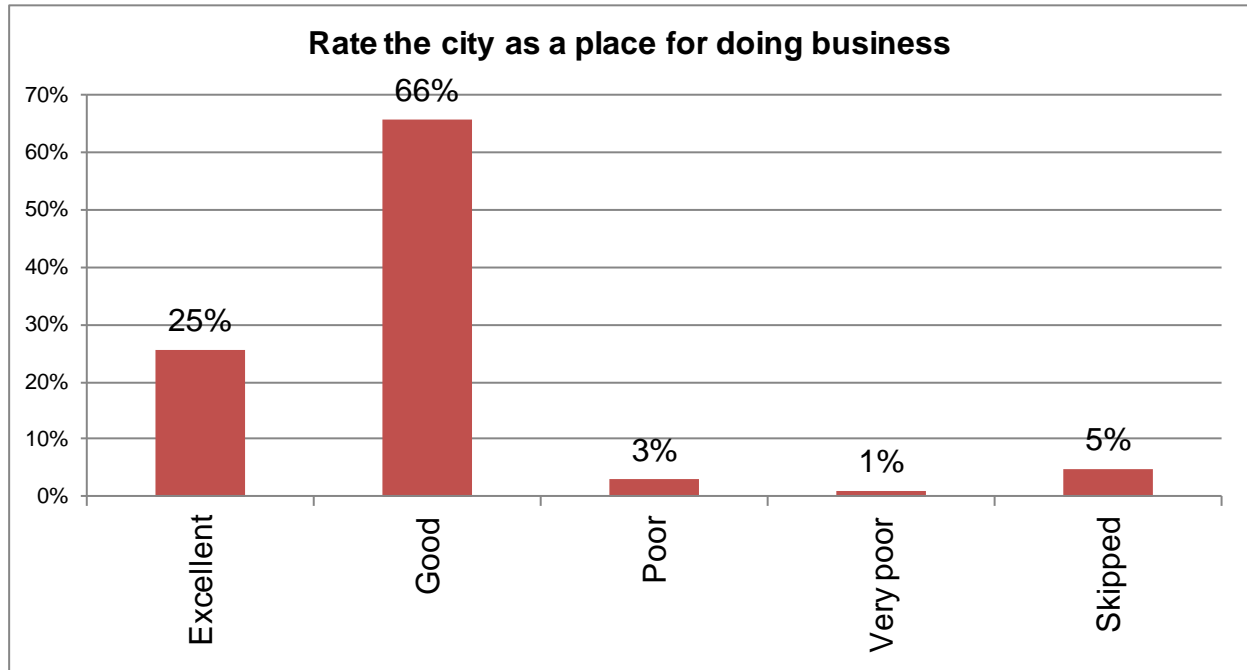
Responses	Number	% Share
Excellent	26	25%
Good	67	66%
Poor	3	3%
Very poor	1	1%
Skipped	5	5%
Total	**102**	**100%**

12.2.2 Please rate our city on cost of doing business measures:
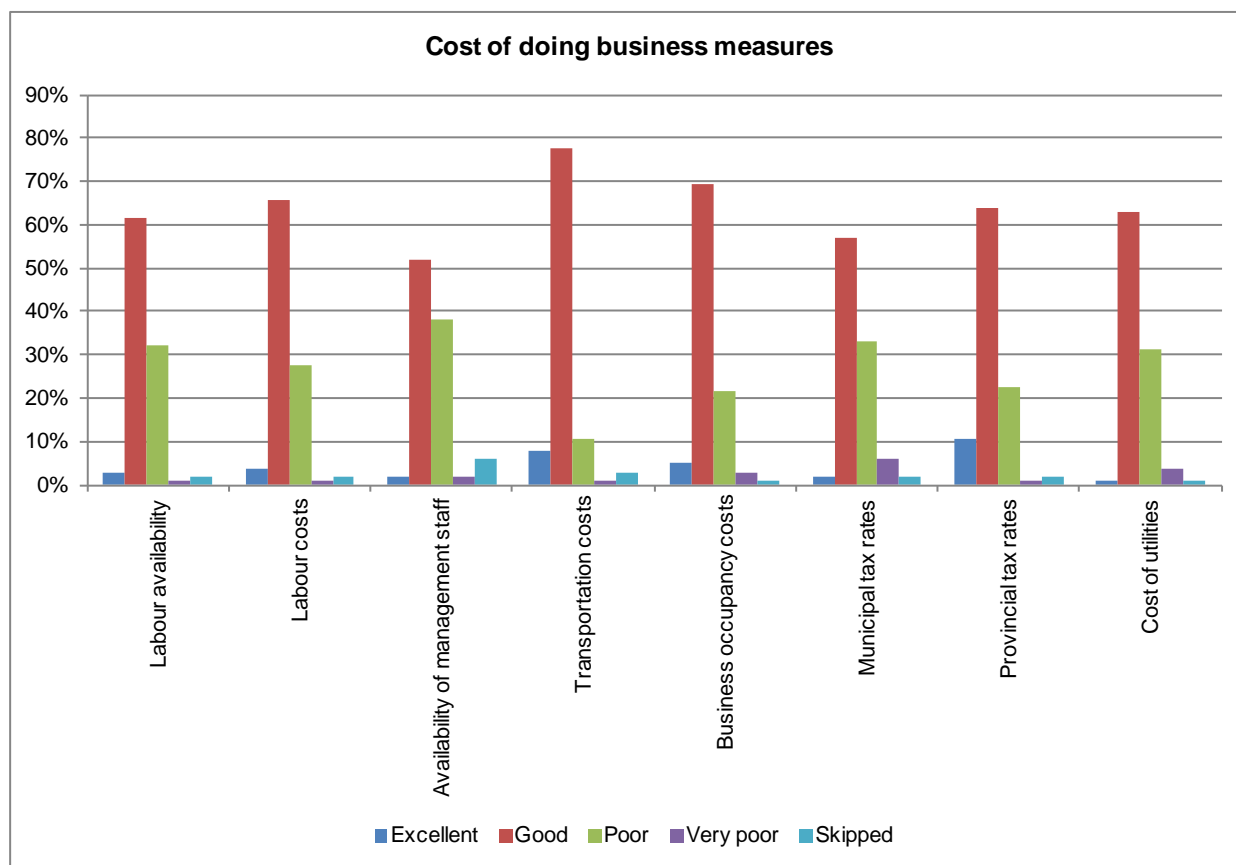
Responses	Labour availability	Labour costs	Availability of management staff	Transportation costs	Business occupancy costs	Municipal tax rates	Provincial tax rates	Cost of utilities
Excellent	3 (3%)	4 (4%)	2 (2%)	8 (8%)	5 (5%)	2 (2%)	11 (11%)	1 (1%)
Good	63 (62%)	67 (66%)	53 (52%)	79 (77%)	71 (70%)	58 (57%)	65 (64%)	64 (63%)
Poor	33 (32%)	28 (27%)	39 (38%)	11 (11%)	22 (22%)	34 (33%)	23 (23%)	32 (31%)
Very poor	1 (1%)	1 (1%)	2 (2%)	1 (1%)	3 (3%)	6 (6%)	1 (1%)	4 (4%)
Skipped	2 (2%)	2 (2%)	6 (6%)	3 (3%)	1 (1%)	2 (2%)	2 (2%)	1 (1%)
Total	102 (100%)	102 (100%)	102 (100%)	102 (100%)	102 (100%)	102 (100%)	102 (100%)	102 (100%)

12.2.3 Please rate our city on quality of life measures:

Quality of life measures
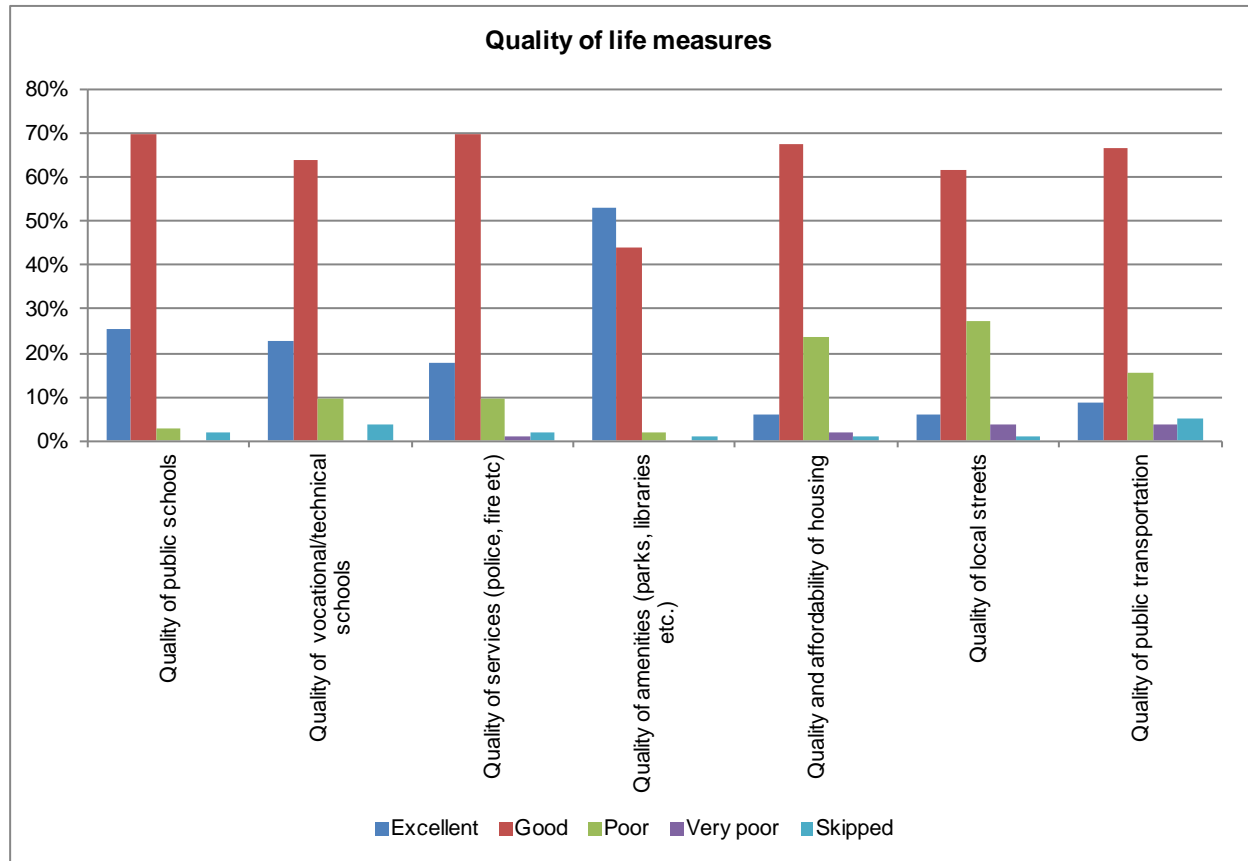
Responses	Quality of public schools	Quality of vocational/ tech. schools	Quality of services (police, fire)	Quality of amenities(parks, libraries)	Quality and affordability of housing	Quality of local streets	Quality of public transportation
Excellent	26 (25%)	23 (23%)	18 (18%)	54 (53%)	6 (6%)	6 (6%)	9 (9%)
Good	71 (70%)	65 (64%)	71 (70%)	45 (44%)	69 (68%)	63 (62%)	68 (67%)
Poor	3 (3%)	10 (10%)	10 (10%)	2 (2%)	24 (24%)	28 (27%)	16 (16%)
Very poor	0 (0%)	0 (0%)	1 (1%)	0 (0%)	2 (2%)	4 (4%)	4 (4%)
Skipped	2 (2%)	4 (4%)	2 (2%)	1 (1%)	1 (1%)	1 (1%)	5 (5%)
Total	102 (100%)	102 (100%)	102 (100%)	102 (100%)	102 (100%)	102 (100%)	102 (100%)

12.2.4 What industrial sector does the business belong to?
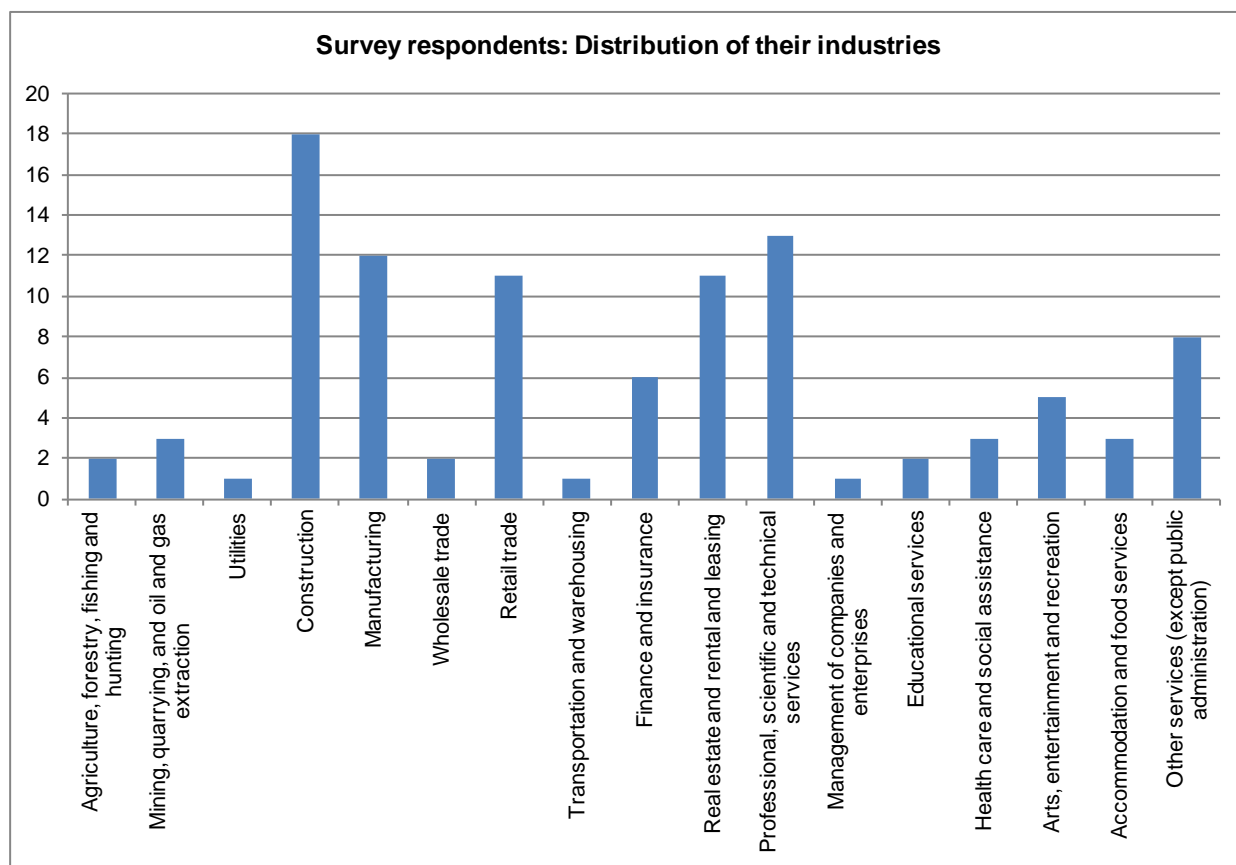
	Industrial Sectors	Number of Responses	% Share of Responses
1	Agriculture, forestry, fishing and hunting	2	2%
2	Mining, quarrying, and oil and gas extraction	3	3%
3	Utilities	1	1%
4	Construction	18	18%
5	Manufacturing	12	12%
6	Wholesale trade	2	2%
7	Retail trade	11	11%
8	Transportation and warehousing	1	1%
9	Finance and insurance	6	6%
10	Real estate and rental and leasing	11	11%
11	Professional, scientific and technical services	13	13%
12	Management of companies and enterprises	1	1%
13	Educational services	2	2%
14	Health care and social assistance	3	3%
15	Arts, entertainment and recreation	5	5%
16	Accommodation and food services	3	3%
17	Other services (except public administration)	8	8%
	Total	102	100%

12.2.5 Please complete the following table to indicate the % of sales by geographic area and the % of your company' s purchases (supplies/ raw material / services) by geographical area.

Percentage of sales and purchases by geographic area
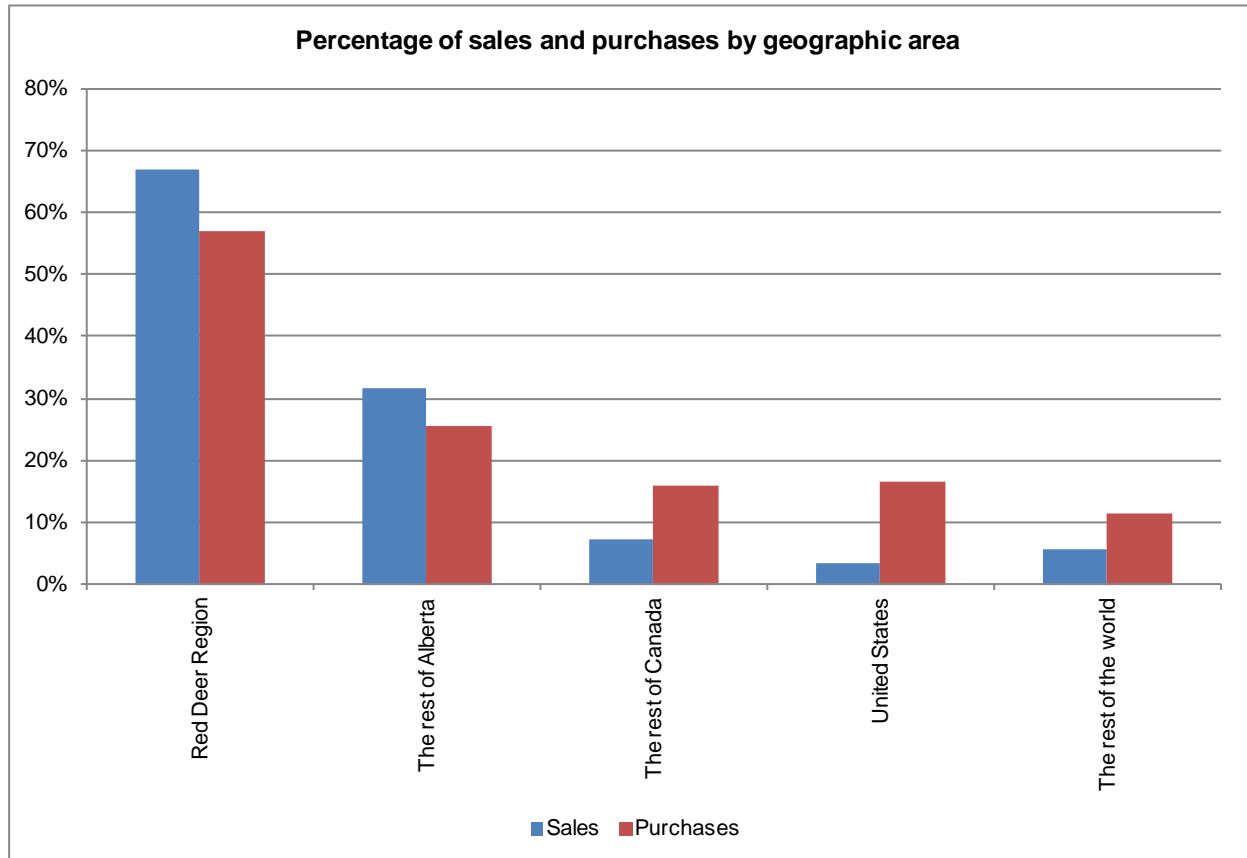
	Geographical area	Sales	Purchases
1	Red Deer Region	67%	57%
2	The rest of Alberta	31%	26%
3	The rest of Canada	7%	16%
4	United States	3%	16%
5	The rest of the world	6%	12%

12.2.6 How much of your facility's total space are you currently using? How much equipment capacity are you currently using?

Percentage of total space and equipment capacity being used
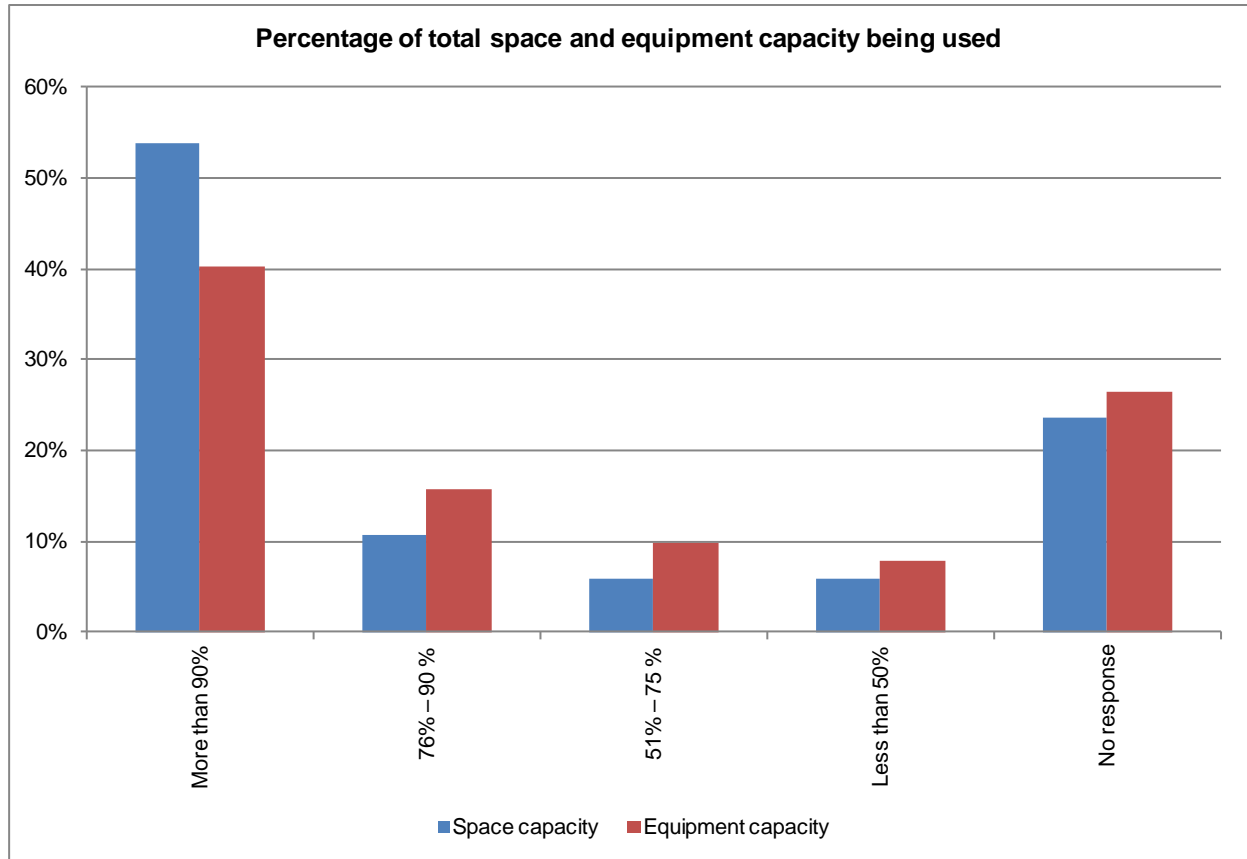
	Responses	Current space capacity being used	Current equipment capacity being used
1	More than 90%	55 (54%)	41 (40%)
2	76% – 90 %	11 (11%)	16 (16%)
3	51% – 75 %	6 (6%)	10 (10%)
4	Less than 50%	6 (6%)	8 (8%)
5	No response	24 (24%)	27 (26%)
	Total	**102 (100%)**	**102 (100%)**

12.2.7 Are you interested in partnering with international firms on R&D to develop new products?

Yes	**10 (10%)**
No	**66 (65%)**
Skipped	**26 (25%)**

12.2.8 Do you have any plans to expand (more space / more employees / more equipment)?

12.2.9 Do you have room to expand at your current location?

12.2.10 Do you have plans to change your business location?

Whether planning to expand, have room to expand or change location in near future

Plan to expand

Have room to expand

Plan to change location

■Yes ■No ■NA
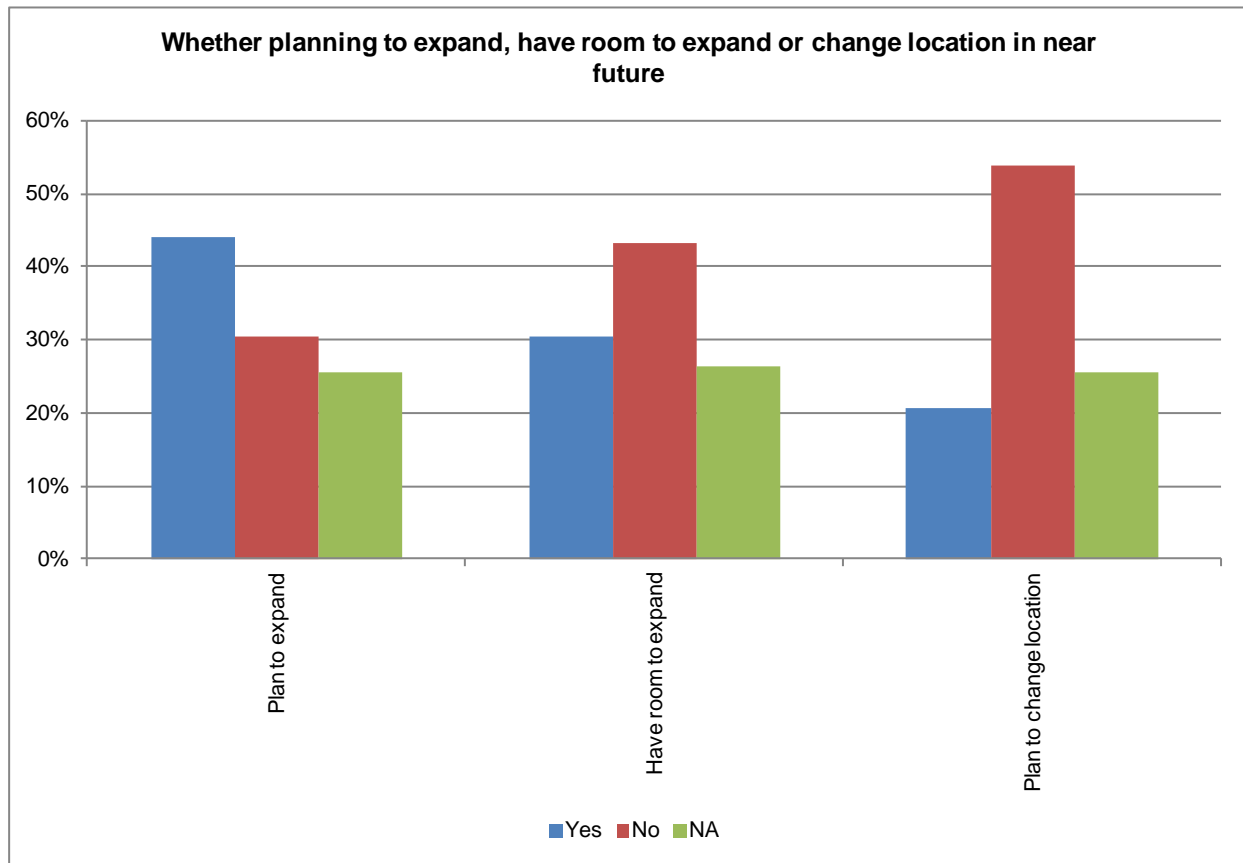
		Yes	No	Skipped	Total
1	Plan to expand (more space / more employees / more equipment)	45 (44%)	31 (30%)	26 (25%)	102 (100%)
2	Do you have room to expand at your current location?	31 (30%)	44 (43%)	27 (26%)	102 (100%)
3	Do you have plans to change your business location?	21 (21%)	55 (54%)	26 (25%)	102 (100%)

12.2.11 **Would you like information on any of the following programs or topics?**

Most desired information on programs
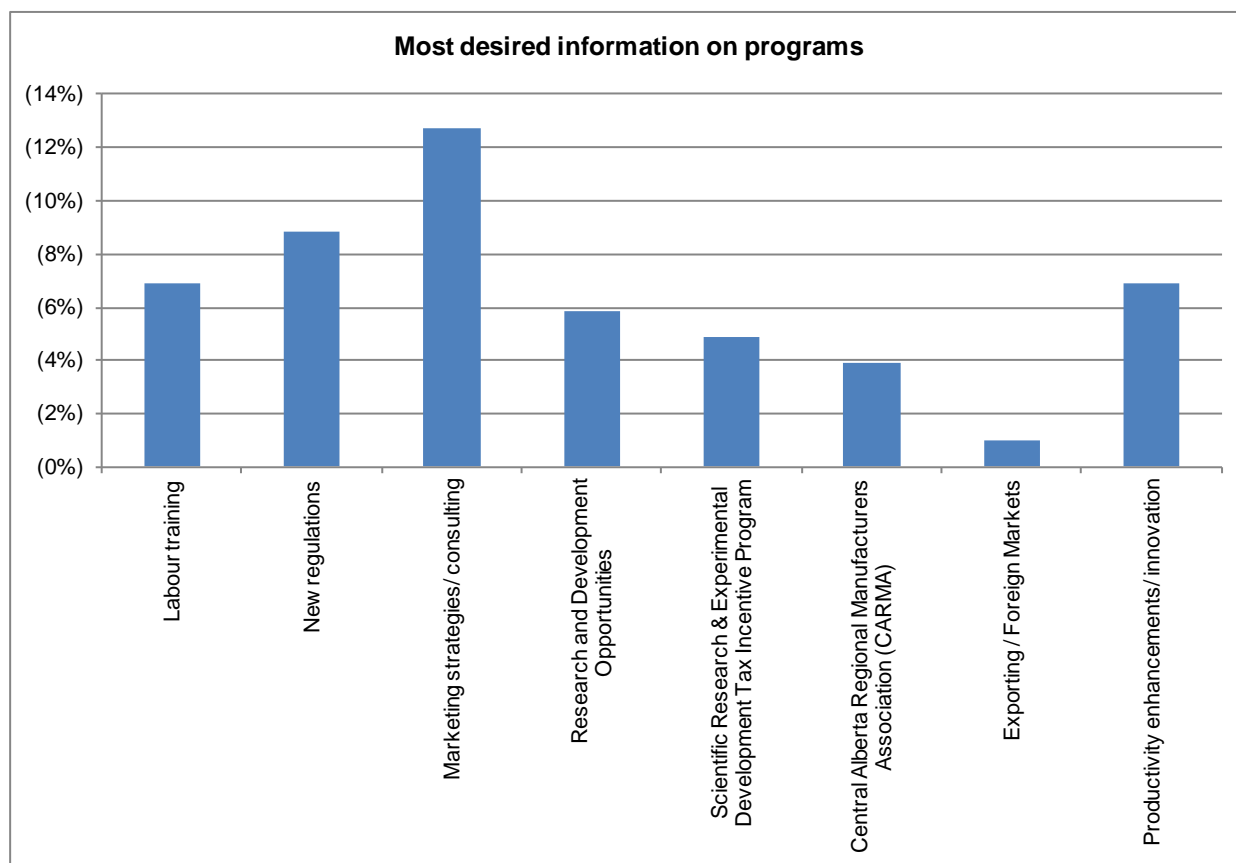
	Programs / Topics	Responses
1	Labour training	7 (7%)
2	New regulations	9 (9%)
3	Marketing strategies/ consulting	13 (13%)
4	Research and Development Opportunities	6 (6%)
5	Scientific Research & Experimental Development Tax Incentive Program	5 (5%)
6	Central Alberta Regional Manufacturers Association (CARMA)	4 (4%)
7	Exporting / Foreign Markets	1 (1%)
8	Productivity enhancements/ innovation	7 (7%)
9	No replies (skipped)	50 (49%)
	Total	102

12.2.12   **What are your company's estimated gross sales for 2012?**

Gross annual sales (2012)
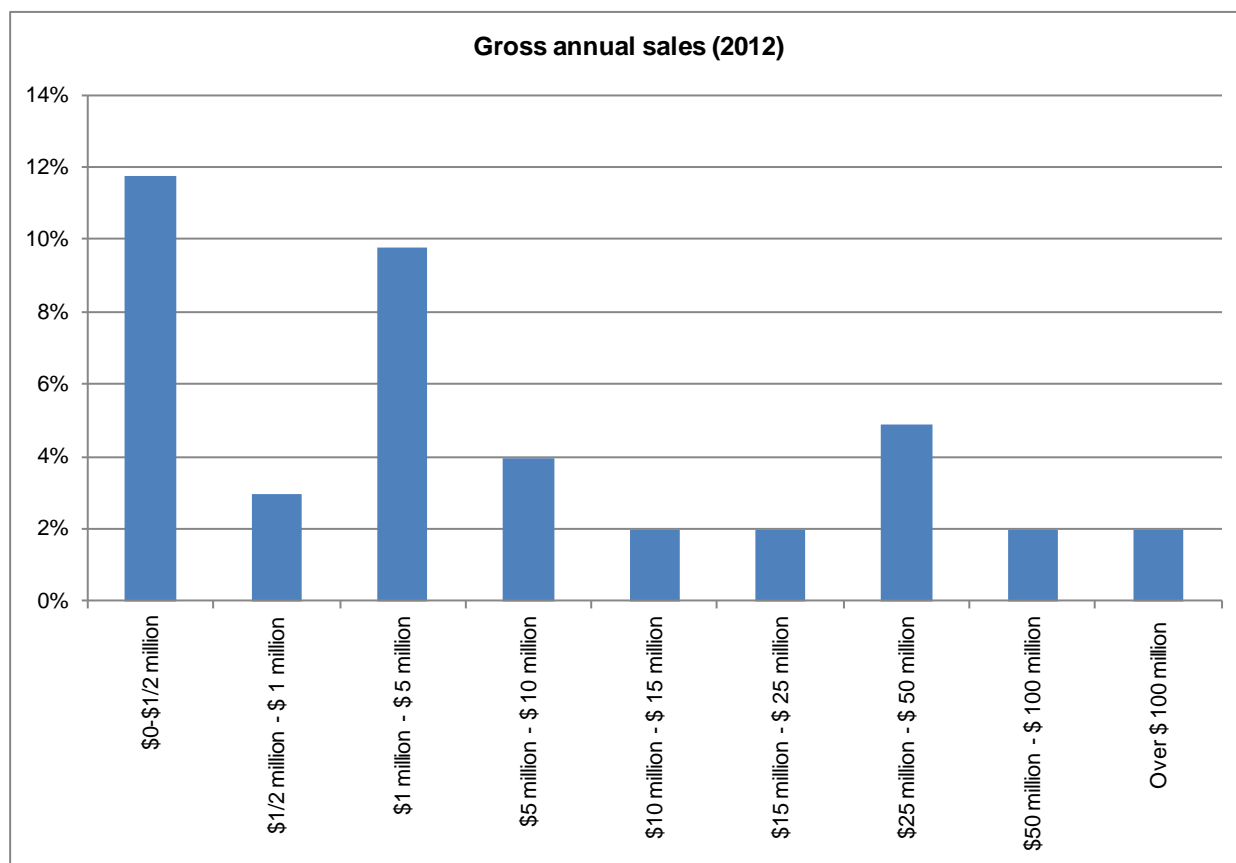
	Gross annual sales	# of responses	% Share
1	$0-$1/2 million	12	12%
2	$1/2 million - $ 1 million	3	3%
3	$1 million - $ 5 million	10	10%
4	$5 million - $ 10 million	4	4%
5	$10 million - $ 15 million	2	2%
6	$15 million - $ 25 million	2	2%
7	$25 million - $ 50 million	5	5%
8	$50 million - $ 100 million	2	2%
9	Over $ 100 million	2	2%
10	No response (skipped)	60	59%
	Total	**102**	**100%**
	Average annual sales	$ 16,403,864	

12.2.13 How many employees do you have?

Share of business by employee sizes
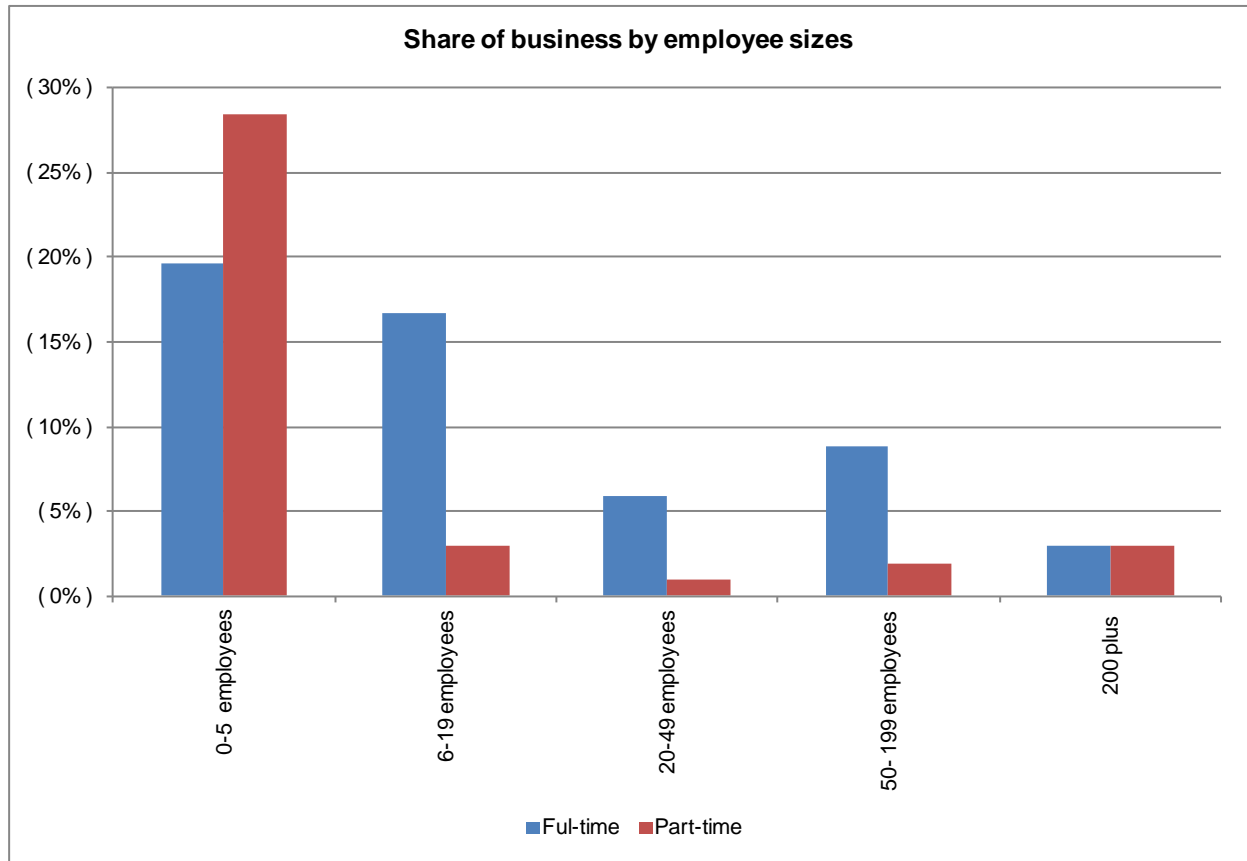
	Businesses by employee size	Full -time	Part -times
1	0-5 employees	20 (20%)	29 (28%)
2	6-19 employees	17 (17%)	3 (3%)
3	20-49 employees	6 (6%)	1 (1%)
4	50- 199 employees	9 (9%)	2 (2%)
5	200 plus	3 (3%)	3 (3%)
6	Skipped	47 (46%)	64 (63%)
	Total	102 (100%)	102 (100%)
	Average employee size	45	34

12.2.14   How did your company's gross sales in 2012 compare to 2011

12.2.15   Over the past year have you had any changes in the number of employees, and in the coming year, do you anticipate changes in the number of employees?

Changes in gross sales and number of employees in 2012 compared to 2011 and anticpated changes in number of employees in 2013
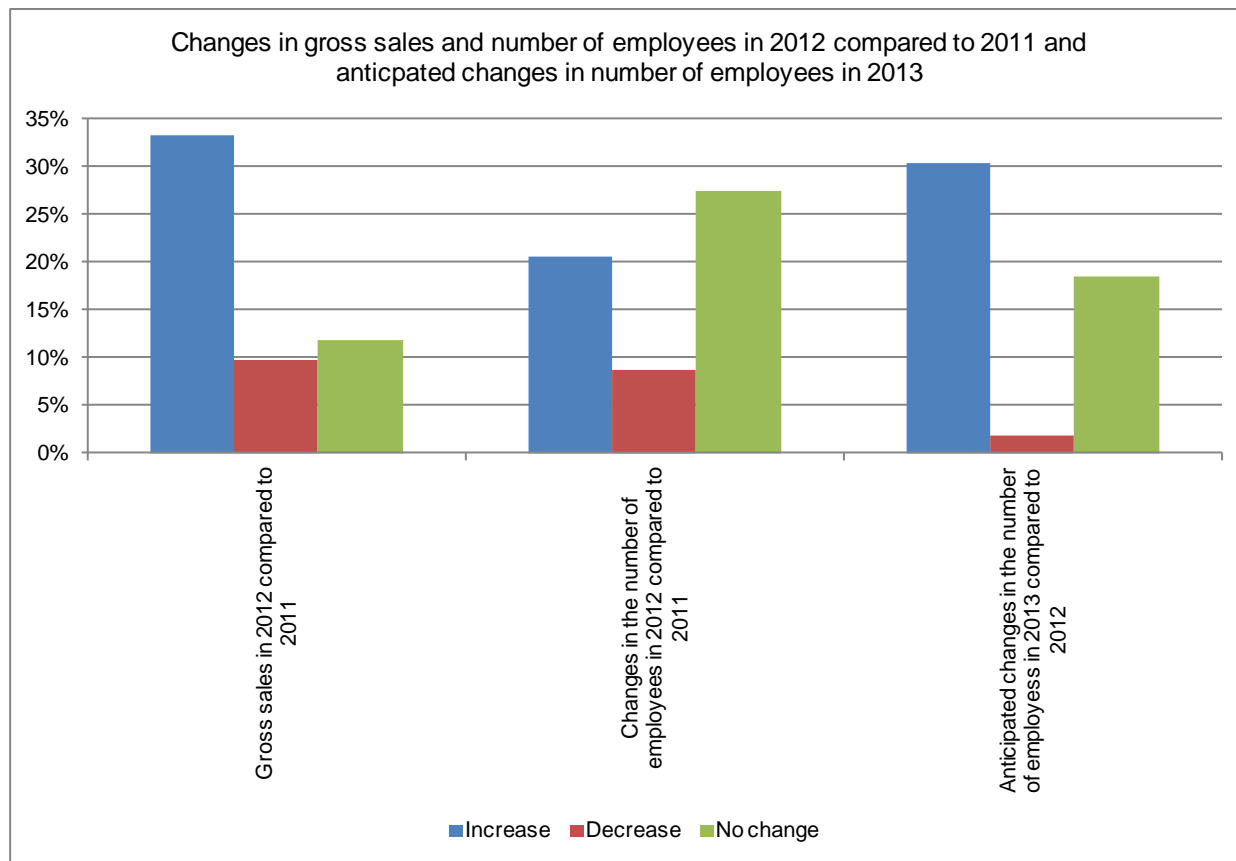
	Questions	Increased	Decreased	Stayed same	Skipped	Total
1	Gross sales in 2012 compared to 2011	34 (33%)	10 (10%)	12 (12%)	46 (45%)	102 (100%)
2	Changes in the number of employees in 2012 compared	21 (21%)	9 (9%)	28 (27%)	44 (43%)	102 (100%)
3	Anticipated changes in the number of employess in 2013	31 (30%)	2 (2%)	19 (19%)	50 (49%)	102 (100%)

12.2.16   What is your average hourly wage for non-management staff?

Average hourly wage (2012)
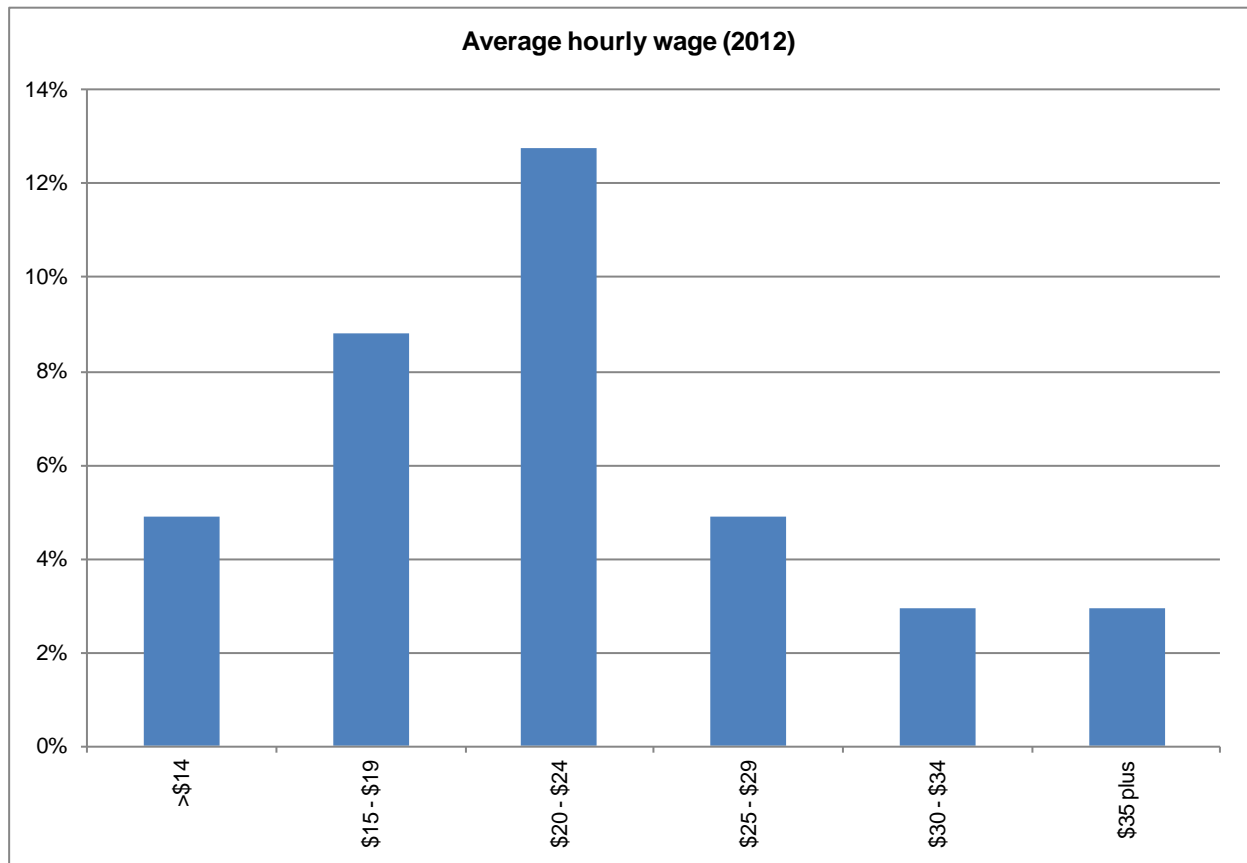
	Hourly wage	# of responses	% Share
1	>$14	5	5%
2	$15 - $19	9	9%
3	$20 - $24	13	13%
4	$25 - $29	5	5%
5	$30 - $34	3	3%
6	$35 plus	3	3%
7	No response (skipped)	64	63%
	Total	**102**	**100%**
	Average hourly wage	**$ 22.20**	

12.2.17 **What was your total payroll for 2012?**

Average Payroll (2012)
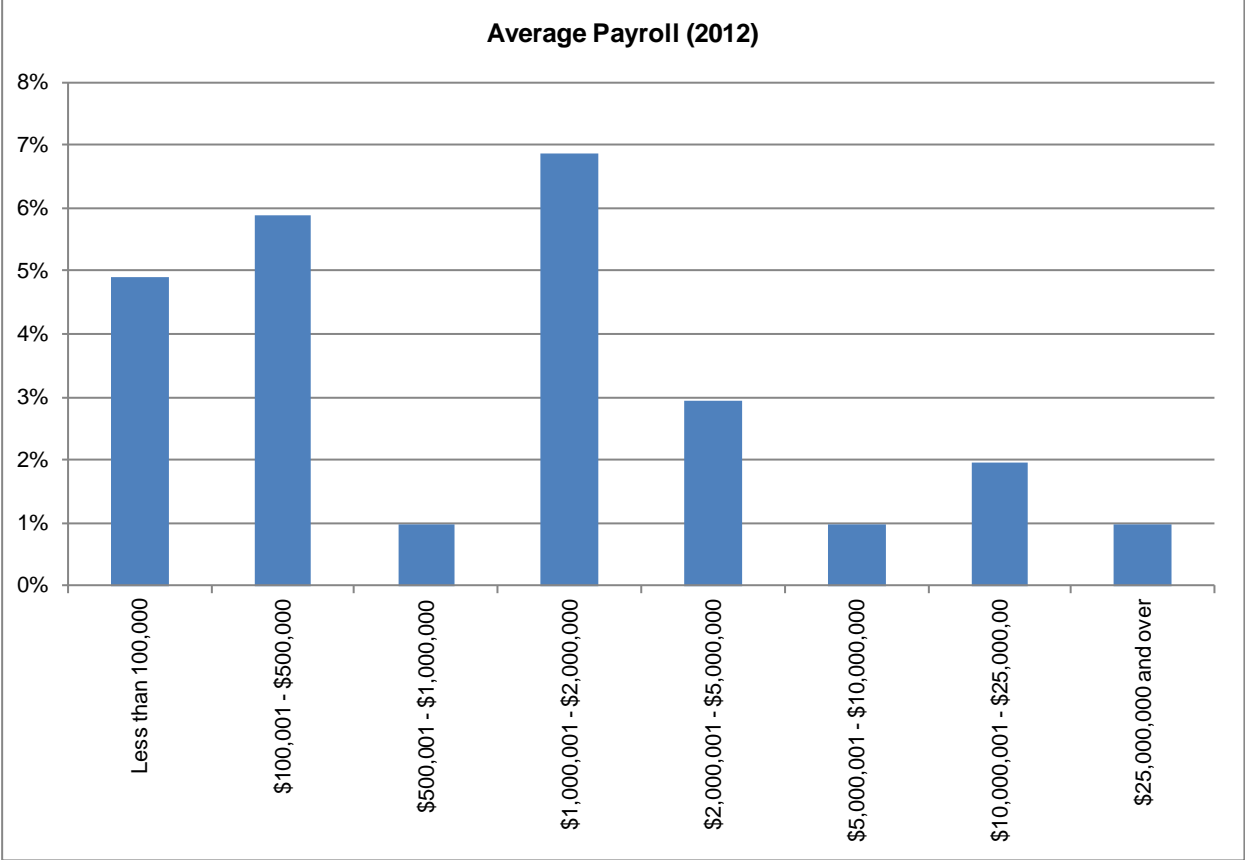
13   Appendix G – Raw Notes from Focus Group Meetings

The following are the raw notes taken by Urbanics Consultants at the focus groups.

1. To achieve **economic diversification**, the city will require a broad employment base in industries that are not directly related to one another.

- **Focus on education**
- Labour attraction
- **Identify niche markets**: the potential of trade area and airport (based on strategic location)
- Monitor urban sprawl
- Best guess (Climate change and our agricultural future)
- Attract businesses and people based on the future, who we want to be, so that they're attached to Red Deer's identity
- As the oil & gas sector moves north, how do we identify what's next? To develop financial resilience, examine other types of economic activities
- Unpredictable oil & gas sector
- **Leverage Red Deer's location**
- **Green energy and land reclamation**
- Potential for recycling opportunities, renewable energy, waste management, agribusiness
- **Agri-processing industry** has room to expand
- Training our labour force to grow productivity and skills
- Focusing on underdeveloped industries that already exist in Red Deer
- **Brand Red Deer** ideal for conventions, sports tournaments and tourism, due to its central location
- Local food production
- **Transportation and distribution hub**: port Alberta (i.e. Peavey Mart) is a major opportunity
- Specific industries underdeveloped: **Creative Class** – science, innovation, architecture, art, education
- Marketing our central location to prospective businesses involved in trade, manufacturing, services and warehousing
- Build upon existing strengths in the oil and gas sector by promoting education and services industries in the City
- Not put all eggs in one basket

2. What type of **manufacturing industries** do you see for Red Deer in the future?

- Good location for manufacturing industries (equipment and construction) that serve Western Canada or the Prairies
- High demand for continual improvement to the extraction process (Oilsands)
- Collaborate with Red Deer College to develop required skills in future labour force
- Bring supply chain to manufacturers
- Renewable energy
- District energy

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- Water filtration and co-generation
- Value-added agriculture; utilizing Joffre's resources/case study
- Recycling
- Different types of energy generation: solar, wind, river (German run of river technology for extracting electricity from the river), biomass, biodiesel etc.
- Entice head offices to locate in Red Deer: land-use bylaw zoning allow for production and head office in one place
- Competitiveness: ease of purchasing land, permitted and discretionary use to attract companies, process and fees are simple and competitive
- Manufacturers at the airport: opportunity
- Attracting executives to work at head offices located here – Red Deer is appealing to these types of people (young and old professionals alike). Top executives do not like to locate in Red Deer.
- Grow and diversify existing industries (Bilton Manufacturing, fabrication units)
- Airport offers huge potential to increase the productivity of manufacturers and accessibility to distribute
- Bring more local manufacturing products to international market
- Collaborate with Old's College for agriculture
- Innovation centre (demonstration of waste to diesel)
- Global outreach and marketing efforts aimed at central location
- Innovative technology (3 D printing)
- Agri industries such as Nestle (potential for expansion)
- Value added manufacturing
- Impact of fracking in the US on local energy industries
- Promote information technology and geotechnical industries that can build upon the strengths of the region (for example Gen tex that designs and manufactures oilfield equipment such as heating units, hot oil units, pressure trucks and pump/kill units)
- Related green technologies
- Innovation will not happen till there are enough high paying jobs in the energy sector
- Underutilized airport
- Heavy industries will serve the energy sector
- High tech oil industry opening up operations in the City, include down hole tools, pressure withstanding metals and fracking equipment that could have application in other industries and other locations for example offshore rigs
- Create climate for userfriendly development
- Reduce red tape and regulations
- Streamline permitting process
- Green renewable energy and wind farms
- Drive innovation
- Organic diversification of Red Deer's assets: primary production and energy sector manufacturing
- Take outputs and make renewables industry
- Huge market for remediation companies
- Red Deer is central for lots of waste/by-products
- Well-suited for using green technologies in construction
- Lots of innovative companies create their own technology to address their needs
- Red Deer is a great test market due to its young age and disposable income – restaurants
-

3. Promoting small businesses:

- Require to be closer to the highway 2
- Uncool image associated with the city of Red Deer
- Developing and identifying home-based businesses
- Support young population
- Downtown social issues
- Streamline business application/setting up
- Reduce taxes and regulations to create a favourable market for business
- Donald School of Business is a good asset – business incubator and/or improve efficiencies
- Co-located business organizations that breed networking
- Streamline taxes, red tape
- Strengthen management of small businesses: succession planning
- Money incentives or policies that provide tax breaks
- Niche/room in market for animal-focused businesses
- Promote art/creative industry
- Work with Donald School of Business to develop "idea planning" sessions
- Streamline small business application process
- Provide a preferred location with no business tax to incubate small businesses
- Keep commercial rates close to residential to entice
- Develop a business incubator, start/support a business network/co-location
- Inject financial incentives, grant, program
- Do a showcase/highlight of small businesses (small business week – Advocate)
- Promote downtown as an ideal place for creative small business to locate.
- See niche markets in specialty retail, creative class, food service, web design
- Try to limit the affect big business has on small business
- Realize the benefits of small vs. Big Box
- Provide succession mentoring and marketing
- Quality of life
- Poor housing options
- Professional services go to Calgary and Edmonton
- Consulting fee smaller in Red Deer
- Better prices in Edmonton and Calgary

4. Focusing on Red Deer's downtown:

- Need a retail and residential recruitment strategy
- Review zoning – too much commercial
- Expand Downtown program to continue successful transformations: walkability – connection to Bower Ponds
- Address social issues proactively
- Elementary school downtown to attract young families
- Our "downtown core" is much larger than even Edmonton and Calgary's
- Winter garden: providing public space equally well in the winter
- Diversity of housing types
- Brownfields; street-level vacancies
- Permanent public market stalls
- Improve the Downtown Business Association – to enforce and keep downtown attractive: engaging windows, eyes on the street, financial incentives to beautify
- Regulate for condo developments that spread across demographics (not just low-income and/or seniors). Target condo developments in downtown instead of suburbs.
- Live-work philosophy to enhance downtown, not just in new town centres (East Hill)

- Inviting residential housing
- Make downtown a destination with things to see and do
- Land bank opportunity
- Not walkable
- Not enough high density/poor housing options
- Require a retail recruitment strategy immediately
- Review zoning – too much concentration of strictly commercial
- Expand the downtown patio to year-round
- Deal proactively with the social issues
- Various housing types that are sensitive to our environment – TRUE green building standards, not just LEED.
- Expanding Riverlands/Railyards will hurt downtown core as it will become too large of a downtown space for the demand of the city.
- Need a post office!
- Permanent public market
- Work closely with the DBA to ensure we're doing basic beautification; deal with safety
- Develop housing that crosses demographic and socio-economic types
- Live – work – enjoy
- Skating rink as an attraction during the winter months
- Connectivity – to Bower Ponds and in the future Riverlands
- Niche restaurants
- Use land bank to consolidate land in the Downtown
- Promote downtown as a destination
- Development permit and rezoning difficult
- Red tape
- More developer incentives to build in downtown
- Upkeep and maintenance
- Bring residents and businesses to the downtown
- Lower the seedy/dangerous element
- Residents drive businesses, not the other way around
- Bring in developers willing to build creative living spaces in downtown
- City has to invest and provide incentives, exemptions, etc
- Beautify and make more accessible; make it a destination people *want* to visit
- Increase the assessment base of downtown
- Retrofit spaces for businesses
- Housing opportunity for students of the Donald School of Business
- Educate residents on the value of higher density
- Offer a range of housing types – currently either low income, seniors, or "premium penthouse"-type condos
- Target the right demographic – millenials, creative class, etc
- Municipal Government Act needs to make more financial sense – differential tax rates
- Zoning allowance – less that x ft^2 makes no sense
- Create a night life – downtown dies after 5 pm, especially in the winter
- Activity/pedestrian generators – professional services on the ground floor of buildings prohibit this (lawyers, accountants, doctor offices)
- Is there a disconnect between the type of company we're trying to attract and the attractions of our City/downtown strategy

5. Labour: availability and costs

- What are the specific issues behind labour shortages
- Working with the college to address issues

- Advocacy for immigration reform: Immigration issues with Temporary Foreign Workers
- Immigration focused on skilled workers
- Skills levels required vs those covered at schools
- Rationalization of educational programs across the Province
- Aboriginal apprenticeships programs
- Improve succession planning
- High school completion rates for men are incredibly low
- Student accumulated debt is too high and unattractive
- Manual labour difficult positions to fill,e specially in agribusiness
- 65% of aboriginal population is under 16 years old – huge population of future employees
- Lack availability of management due to Red Deer's amenities – need to be improved… unable to attract high-level positions due to our lack of "urban" amentities; they're more attracted to Calgary and Edmonton
- Credential recognition of Foreign workers
- Conversation with businesses need to be had about what skills they foresee they will need in the next 5 years
- Living wage: social issues
- Important to look at the stability of our healthcare industry – employment issues
- Are we growing too fast?
- RDC is essential in recruiting workforce
- Community internships (?)
- Unable to attract high-level executives to Red Deer
- Attracting head offices is difficult
- Learn (at RDC) and Stay (in Red Deer). Skilled trades, apprenticeship
- Diversity of jobs
- Providing opportunities for the spouse to be employed too, if theres a job for the woman and the man that accommodates their lifestyle needs
- Transform Red Deer to be the type of place that can attract the type of workers we lack
- A general concern about the health of our male population in Alberta, and specifically Red Deer… graduation rates, drug abuse, etc
- Enhance quality of life, emphasize culture arts and recreation
- Attract skilled labour
- Retail skilled labour
- Identify demand for labour (significant demand in retail jobs such as Target, Bower Mall)
- Succession issue
- Tim Horton/ Wendy collaboration
- Create industry networks and clusters
- Transportation access and greater mobility
- Long term view
- Ability to work in the City
- High and low skilled worker
- Education
- Large proportion of students leave the city
- Foreign workers program
- Training education
- Creative class (quality of life)
- Attract other demographics (other than families)
- Foreign credentials
- Marketing advertising

- Olymel L.P. is a Canadian leader in the primary processing, further processing, and distribution of pork and poultry meat products, with facilities in Quebec, Ontario and Alberta. Olymel is one of the largest employers in the city of Red Deer. It is competing with energy sector and has significant issues retaining its employees. They have huge turnover and are recruiting workers from all over the world. Comparatively, energy sector offers higher pay and attract a lot of their employees. Provides different work shifts for family members so that the expenses on child care can be reduced. They are also building a positive employee culture to retain employees.
- Stantec has over 200 employees in Red Deer and services North West Territories, Fort Mc Murray and Grand Prairie. They have capitalized on their centralized location to service large region. They attract graduates and students from Saskatchewan as they have difficulty hiring from larger urban centers. Based on a per capita basis Stantec would have required only 20 consultants in Red Deer, however, they have 200 as they service much larger region. Type of housing is an issue
- Quality of life
- Educate workforce
- Transportation access from surrounding communities
- Improve long-term ability to grow career in Red Deer
- Transition of the rural mentality to an urban mentality to attract young professionals
- Ability to retain high school students and RDC students
- Education and skills development for Red Deer businesses as well as our region's businesses
- Availability to attract and retain management and high level professionals (especially as baby boomers leave vacancies)
- Attracting international students; providing the transportation access for family to visit
- Issue: Workforce living in Red Deer, but working up north; social issues
- 6 charter a day from RDA to Oil Sands
- Develop unemployment/underemployment strategy
- Companies moving out because they cannot find labour
- Attracting desired workforce types by what Parks, Rec & Culture The City offers
- Traditional work place style – minimal "creative" offices that offer flexibility and creative work spaces
- Red Deer is good at attracting families, but not young professionals (18-30)
- Attracting ex-citizens who move to get Post Secondary education back to Red Deer
- Getting foreign credentials up to par/approved for work here
- Make it more attractive to 20-somethings, single men and women, not just families
- Strengths include affordable housing, lots of amenities, and low commute times
-

6. Location: What are our advantages and disadvantages?

- Lack of congestion
- Interesting to know # of commuters leaving Red Deer for Ed and Calg (and vice versa)
- Tourism: not attraction but experience
- Attracting employees with the quality of life we offer
- Partner with region on attracting
- Development of airport so people don't have to drive "down" from Ed/Calg
- Take advantage of the 86% living here
- Selling the golf, hockey, ringette tournaments – we're easy to get to
- Agritourism opportunities (Country drive)
- Busing people in to Red Deer from surrounding communities is occurring

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- Ideal location for retail "hub"
- High-speed rail potential solution?
- No clear tourism identity: package regional tourism opportunities
- Westerner facility is a major advantage
- Efficient transportation via air, rail, road
- Differentiate from Calg & Ed
- Negative: transient population leads to increased drug trafficking
- The airport has tremendous potential
- Proximity to lakes: Gull, Sylvan, and Pine
- We're the resource for the region on health, professional services, education
- No clear identity
- Education and health opportunities for the larger region
- Distinguish from Edmonton and Calgary
- Arts and culture for attracting younger people
- Tourism identity
- Poor housing options
- Non-walkable communities
- Need to be in a position where we have the expertise and resources to launch companies internationally
- Leduc and Airdrie attract a large proportion of conference and meeting tourists due to better regional connections
- Red Deer Airport is primarily being used for regional flights and charter (6000-9000 charters per year). It does not provide cargo services. Also it loses air traffic to Calgary and Edmonton.
- Westerner generates 1500 events per year
- Marketing televised events
- Need a convention centre to attract business tourism, losing opportunities
- Losing opportunities to Leduc and Airdrie due to our air travel system
- Community builds business (like the airport), not vice versa
- Fund the airport and general transportation
- Tout the access to labour, tax incentives, business support services, transportation access and then quality of life
- Proven market – high household income and spending money
- Regional carrier vs national carrier is a disadvantage
- Significant oil and gas charters – Six to nine thousand charters a year
- City needs an inventory of its key assets and then develop strategy to support
- Lack tourism centre piece; but do have great facilities to attract events – Westerner has to turn away an incredible amount of opportunities due to being fully booked
- Build tourism for locals entertainment and joy, then tourists will come
- Develop an event strategy and budget, as even Pee Wee hockey tournaments require financial support from The City – this could be an entire department dedicated to just developing, bidding and organizing events
- What should Red Deer purposefully target as their NEXT key industry(ies)

14 Appendix H – Strategic Partners and Performance Measures

14.1 Collaborative Partnerships

The City should explore partnering with public and private sector entities to help share the effort as well as engage important stakeholders. Some such partnerships might include:

Partner	Proximity	Strategies
AFSC Commercial	Crown	E6;
Alberta Agriculture & Rural Development	Provincial	B6;
Alberta Apprenticeship and Industry Training	Provincial	D3;
Alberta Economic Development Authority	Provincial	C7;
Alberta Enterprise and Advanced Education	Provincial	D1; D5;
Alberta Environment	Provincial	C7;
Alberta Finance & Enterprise	Provincial	B4;
Alberta Human Resources	Provincial	D5;
Alberta Innovates	Provincial	B1; B5;
Business Development Bank of Canada	Crown	E6;
Canada Post	National	F6
Central Alberta Access Prosperity	Regional	D1;
Citizenship and Immigration Canada	National	D4;
Communications and Strategic Planning Dept.	Internal	A1; A2;
Dept. of Engineering Services	Internal	C5; C7;
Dept. of Environmental Services	Internal	C7;
Dept. of Foreign Affairs and International Trade	National/Federal	B4; B5; B6;
Dept. of Planning	Internal	C2; C3; C4; C5; C6; F4;
Dept. of Social Planning	Internal	C3; F2; F3;
Dept. of Transit	Internal	F2;
Donald School of Business	Local Education	F5
Government of Alberta	Provincial	D4;
Inspections and Licensing	Internal	E7;
Land and Economic Development Dept.	Internal	C2; C3; C4; C5; C6; C7; C8; D1; E1; E2; E4; E5; E6; F1; F2; F4;
Local banks	Local Merchants	E2; E3;
Local Commercial Real Estate Brokers	Local Merchants	C1; C3; C4;
Local Industrial Real Estate Brokers	Local Merchants	C1; C5;
Local residential developers	Local Merchants	F1;
National and local Retailers	Local Merchants	C3;
Olds College	Local Education	B6; D1;
Private brownfield site owners	Local Merchants	C7;
Private Commercial Developers	Local Merchants	C3;
Private Sector Home Developers	Local Merchants	C2; C6
Red Deer Chamber of Commerce	Local Trade Group	A1; A2; B1; C1; C3; C4; C5; D1; D2; E1; E2; E3;
Red Deer College	Local Education	B6; C1; D2; F5;
Red Deer County	Regional	B6; C8;
Red Deer Downtown Business Association	Local Merchants	C3; E5; E6; F1; F2; F3; F4;
Red Deer Public School District	Internal	D2; F6;
Red Deer RCMP	National	C3: F3;
Red Deer Regional Airport	Regional Airport	A3; B2;
Red Deer Regional Economic Development	Regional	A1; A2; A3; B2; B3; D1; E1; E2; E3; E4; E5; E6;
Red Deer Utility Billing Service Centre	Internal	E7;
Tourism Red Deer	Regional	C3:
Transportation Association of Canada	National Trade Group	A3; B2;
University of Alberta	Provincial Edication	B4; B5; B6;
University of Calgary	Provincial Edication	B4; B5; B6;

14.2 Performance Measures, part 1

The City needs quantifiable indicators to help measure its success on its initiatives. Several metrics are already captured in surveys or the municipal census; others will need to be tracked with other tools. The metrics pertinent to our strategies are found on the following pages.

METRIC	DESCRIPTION	STRATEGIES
Number of Businesses Attracted	This is a count of how many businesses which were previously established elsewhere had relocated or expanded to Red Deer in a given time period.	A1; A2; B3
Number of Marketing Programs Initiated	This is a count of the different marketing initiatives put in place to help create a brand identity for the City of Red Deer.	A1
Depth of Market Penetration	Surveying business decision makers areound Alberta and Canada, this seeks to gauge how well-known Red Deer and its opportunities are.	A2
Number of Workers Attracted	This is a count of workers who moved to Red Deer from elsewhere in a given time period.	A2; D5
Number of Students Attracted	This is a count of students in post-secondary programs who arrived from elsewhere in a given time period.	A2
Number of Tourists Attracted	This is a count of individual identifyable tourists lodging in Red Deer in a given time period.	A2
Passenger Flight Traffic/Passengers	This is the number of passengers and flights through YQF.	A3; B2
Air Freight Traffic/Tonnage	This is the tonnage of freight and cargo flights through YQF.	A3; B2
Business Revenues by Type	Businesses are surveyed on their revenues and other metrics. Among other measures, businesses are categorized by type including: industrial; knowledge-based; tech; oil and gas; green; agribusiness, etc.	B1
Jobs by Business Type	Businesses are surveyed on their headcounts and other metrics. Among other measures, businesses are categorized by type including: industrial; knowledge-based; tech; oil and gas; green; agribusiness, etc.	B1; B4; B5; B6; C3; C5; D4; E5; E6
Businesses by Location	Businesses are categorized by location including: downtown, northwest, southwest, etc.	F4
Number of Businesses Established	Number of businesses newly established in Red Deer in a given period.	B4; B5; B6; D4; E5; E6
Number of Dwelling Units	This is a count of dwelling units in Red Deer. Related information could include location, year built, housing type, tenure type, etc.	C2; C6; F1
Number of Housing Completions	This is the number of units of housing built within a given period.	C2

14.3 Performance Measures, part 2

METRIC	DESCRIPTION	STRATEGIES
Rent Affordability	This is a measure of housing affordability comparing rents against income.	C2; C6
Rental Vacancy Rates	This is the fraction of the current rental housing stock that is vacant and available.	C2; C6
Property Tax Revenues	This is the amount of tax property tax collected.	C2; C5; C6
Retail Units Added by Location	This is the amount of retail square footage made available in a given period. Further categorized by location: downtown, southwest, etc.	C3
Transit Utilization	This measures the number of riders on transit in a given period. Additional related measures could assess overall transit rideshare.	F1
Downtown Pedestrian Traffic	These are counts of pedestrians at important points downtown at various times of day and days of week. This data is collected at least once per month if not more often.	C3; F1; F2; F3; F4
Violent Crime Rate by Location	The number of incidents of violent crime per 100,000 people in a given period.	C3; F3
Property Crime Rate by Location	The number of incidents of property crime per 100,000 people in a given period.	C3; F3
Office Space Square Footage by Location	This is the amount of office square footage made available in a given period. Further categorized by location: downtown, southwest, etc.	C4
Office Rents by Location	This is the per-foot rental rates for office property. This is further categorized by type (Class A, etc) and location.	C4
Office Vacancy Rate by Location	This is the fraction of the current office stock that is vacant and available. Categorized by type and location.	C4
Industrial Acreage	This is the amount of acreage currently zoned for industrial use.	C5
Brownfield Acreage Remediated	This is the number of formerly brownfield acres that have completed remediation processes. This can be in total and/or over a given time period.	C7
Land Bank Acreage	This is the inventory of the land bank. The city shall set its own benchmarks for the management of the land bank.	C8

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14.4 Performance Measures, part 3

METRIC	DESCRIPTION	STRATEGIES
Training Program Enrolment	This is the number of participants enroled in the training program. This can be a total historic count and/or number presently enroled, or number enroled in a given period.	D1; D3
Traning Programs Offered	This is the number of training programs historically offered or currently on offer.	D1; D3
Traning Program Alumni Employment	This the the number of participants who have gone on to meaningful employment after completion. This can be a historic count and/or a rate.	D1; D3
Training Program Private Donations	This is the dollar value of private donations received toward funding the training programs. This can be a historic total and/or a rate.	D1; D3
High School Completion Rate	This is the fraction of Red Deer High School students who complete in a given year.	D2
High School Expulsion Rate	This is the fraction of Red Deer High School students who are expelled in a given year.	D2
High School Attendance Rate	This is the attendance rate of Red Deer High School students in a given year.	D2
Business Advisory Service Utilization	This is the number of Red Deer businesses availing themselves of advisory services.	E1; E2; E3
Incubator Businesses Domiciled	This is the number of start-ups domiciled within the incubator.	E5
Incubator Alumni	This the number of businesses which began in the incubator and have since moved on and remained viable organizations.	E5
Number of Downtown Activities	This is the number of public events held downtown in a given period	F2
Frequency of Downtown Activities	This measure covers how often there are public events downtown and ho much "downtime" there is between events.	F2
Heritage Building Reuse	This is the count of heritage buildings coming back into use after being vacant or otherwise underutilized.	F4

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15 Appendix I – Levies, Permit Fees and Industrial Land Prices

	RED DEER	AIRDRIE	BLACKFALDS	INNISFAIL
Offsite Levies	$79,877/acre	$62,524/acre	$32,375/acre	$4,856/acre
Development Permit Fees	Commercial and Industrial: $258.55 + $0.3620/m2; Multi-family ranges from $206.85 for 4-10 units to $620.55 for 5 0or more units.	Commerical: $750 + $0.40/m2 (building area); Industrial: $650 + $0.20/m2; Institutional: $425 + $0.20/m2; Residential (R3, R4, R5 and mobile home park): $310 + $30/unit	$100 (MF); $75 (Res); $250 (Cmml, Ind); $200 (inst)	$2.00 per $1000 construction value ($20 min, $100 max)
Building Permit Fees	Commercial: $6.80 per $1000 construction cost ($62.05 minimum); Industrial: $6.25 per $1000 construction cost ($62.05 minimum); Residential: $5.50 per m2 for the main floor, $3.65 per m2 for addl above grade level; $1.45 per m2 for garages and carports, $5.50 per m2 for apartments, townhomes and row housing ($62.05 minimum).	For Commerial, Industrial and Multi-Family Homes: $8.00 per $1,000 Construction Value (min $100); For Single Detached, Semi-Detached and Townhome Residential: $600-$1800	$5.5/1000 plus Safety Codes: $5.50 for first $20K value, plus $0.20 per addl $1000	$5.50 per $1000 construction value; plus Safety Code levy of 4% of permit value to a maximum of $560
Permit Fees - Electric	N/A	Electric - For Commerical, Industrial and Multi-Family Residential: $8.00 per $1,000 Material and Labour value (over $200,000); For Single Detached, Semi-Detached and Townhome Residential: $140-$240	N/A	Permit Fees range from $250 for a $10K installation to $700 for a $100K installation to $3500 for a $1M installation (with extra $200 per addl $100K); There is also an extra SCC fee of 4%.
Permit Fees - Gas	Residential: $51.70; Commercial and Industrial are a function of BTU output: upto 65K BTU: $51.70, 500K BTU costs $96.70, 1M BTU costs $125.10 and 5M BTU costs $227.50. A 4% SCC levy also applies ($4.50 min to $560 max).	For Commerial, Industrial and Multi-Family Homes: BTU/Hr Permit Fees - 0.00 To 100,000: $100.00; 100,001-250,000: $175.00; 250,001-500,000: $250.00; 500,001-750,000: $300.00; 750,001-1,000,000: $350.00; 1,000,001-2,500,000: $400.00; 2,500,001-5,000,000: $450.00; Above 5,000,000 BTU/HR fees are $450.00 + $50 / 1,000,000 BTU/Hr beyond 5M BTU/Hr; For Single Detached, Semi-Detached and Townhome Residential: $80-$180		Gas Fees range from $90 for the first oulet to $195 for 10, plus $10 for each addl outlet. A 4% SCC Fee (Safety Code levy) also applies.
Permit Fees - Plumbing	Private Sewage: $93.05; Plumbing: Minimum fee of $51.70 plus $7.95 for each fixture (upto 60 fixtures). A 4% SCC levy also applies ($4.50 min to $560 max).	For Service Connection to City Services: $80 per ditch; For Private Sewage: $220; For Commerial, Industrial and Multi-Family Homes: $80 + $9 for each fixture beyond the first;	$386/unit (MF & Res); varies (cmml, ind); plus $50/unit installation; $50 (cmml); plus 5% GST	Plumbing Fees range from $90 for the first fixture to $145 for the first 10 fixtures to $200 for 20 fixtures and a decreasing scale thereafter. A 4% SCC fee is also applied.
Tax Rates (2012)	Residential: 8.8232; Non-residential: 15.5725	Residential: $6.64612/1000; Non-Residential: $11.39017/1000	Municipal Farmland: 7.5663; Municipal Residential: 7.3026; Municipal Non-Residential: 9.9527; Municipal Annexed Farmland and Non-Residential: 4.4210; Municipal Annexed Residential: 2.1940; Plus 1.8315 for Residential and Farmland; 2.9776 for Non-Residential (ASF); Plus 0.0699 for All (Lacombe Seniors Fdn)	Residential - 9.1168; Non-residential - 11.8395

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Offsite Levies and Permit Fees, continued:

	RED DEER	LACOMBE	LEDUC	OLDS
Offsite Levies	$79,877/acre	$27,038/acre	$28,666/acre	N/A
Development Permit Fees	Commercial and Industrial: $258.55 + $0.3620/m2; Multi-family ranges from $206.85 for 4-10 units to $620.55 for 5 0or more units.	REFUNDABLE DEPOSIT: Residential: $1000; Mutli-family, Commercial, Industrial: $2000	Single-Family, Semi-detached, Townhouse: $100/dwelling unit; Apartments and Multi-Family Residential: $250 + $45/dwelling unit; Commercial and Industrial: $150 + $0.25 per $1000 market value	$1.20 per $1000 construction/project costs
Building Permit Fees	Commercial: $6.80 per $1000 construction cost ($62.05 minimum); Industrial: $6.25 per $1000 construction cost ($62.05 minimum); Residential: $5.50 per m2 for the main floor, $3.65 per m2 for addl above grade level; $1.45 per m2 for garages and carports, $5.50 per m2 for apartments, townhomes and row housing ($62.05 minimum).	$6.00/1000 for the first $1M, $3.50/1000 thereafter	$6.00 per $1000 market value ($40 minimum) plus 4% SCC levy	$6.00 per $1000 project value (up to the first $1M plus $4.20 per each addl $1000) plus SCC (probably 4%)
Permit Fees - Electric	N/A	For Single-Family Homes: fees range from $105 to $180, depending on sqft, plus a 4% SCC levy. For all others: Permit Fees range from $158 for a $10K installation to $557 for a $100K installation to $2583 for a $1M installation; There is also an extra SCC fee of 4%.	For Single-Family Homes: fees range from $145 to $175, depending on sqft, plus a 4% SCC levy. For all others: Permit Fees range from $220 for a $10K installation to $675 for a $100K installation to $3112 for a $1M installation (plus $1.25 for each addl $1000); There is also an extra SCC fee of 4%.	N/A
Permit Fees - Gas	Residential: $51.70; Commercial and Industrial are a function of BTU output: upto 65K BTU: $51.70, 500K BTU costs $96.70, 1M BTU costs $125.10 and 5M BTU costs $227.50. A 4% SCC levy also applies ($4.50 min to $560 max).	Gas Fees range from $50 for the first oulet to $178 for 10, and $257 for 20 plus $7 for each addl outlet. A 4% SCC Fee (Safety Code levy) also applies.	Residential: First two outlets: $50, each addl outlet: $23; Commercial and Industrial: First outlet: $50, each addl outlet: $30. All are subject to a 4% SCC levy.	
Permit Fees - Plumbing	Private Sewage: $93.05; Plumbing: Minimum fee of $51.70 plus $7.95 for each fixture (upto 60 fixtures). A 4% SCC levy also applies ($4.50 min to $560 max).	Plumbing permits are based upon the number of fixtures (as per schedule): the first 3 cost $50 plus $4.50 SCC; 10 fixtures will cost $107 plus SCC fee; 50 fixtures will cost $313 plus $12.52 SCC; 100 fixtures will cost $471 plus $18.84 SCC with $1.00 for each additional fixture.	$10 per fixture (minimum $40); Private Sewage; $150 plus 4% SCC levy; Water meters range from $350 (for 5/8") to $5460 (for 6")	Sewer: $1200 per service connection; Water connections and wasteware connections are each $200
Tax Rates (2012)	Residential: 8.8232; Non-residential: 15.5725	Municipal Residential: 9.5309; Municipal Farmland: 9.5309; Municipal Non-Residential: 12.4349; Annexed Residential: 4.8189; Annexed Farmland: 7.1349; Annexed Non-Residential: 8.1118	Residential: 8.644; Non-residential: 13.055	Residential and Farmland: 8.1930; Non-Residential: 11.3288

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Offsite Levies and Permit Fees, continued:

	RED DEER	PONOKA	SYLVAN LAKE
Offsite Levies	$79,877/acre	N/A	$7,891/acre
Development Permit Fees	Commercial and Industrial: $258.55 + $0.3620/m2; Multi-family ranges from $206.85 for 4-10 units to $620.55 for 5 0or more units.	$25 for work value under $150K; $50 for work value over $150K	Residential: Single Detached: $150; Semi-Detached: $300; Multi-Family: $250 + $50/unit; Commercial, Industrial and Institutional: $500 + $1.00/m2 plus a $250 change-in-use fee
Building Permit Fees	Commercial: $6.80 per $1000 construction cost ($62.05 minimum); Industrial: $6.25 per $1000 construction cost ($62.05 minimum); Residential: $5.50 per m2 for the main floor, $3.65 per m2 for addl above grade level; $1.45 per m2 for garages and carports, $5.50 per m2 for apartments, townhomes and row housing ($62.05 minimum).	$4.00 per $1000 project value ($75 minimum) plus 4% SCC levy ($4.50 min to $560 max)	N/A
Permit Fees - Electric	N/A	For new Single-Family Homes: fees range from $95 to $190, depending on sqft, plus a 4% SCC levy. For all others: Permit Fees range from $167 for a $10K installation to $542 for a $100K installation to $2370 for a $1M installation; There is also an extra SCC fee of 4% ($560 max).	N/A
Permit Fees - Gas	Residential: $51.70; Commercial and Industrial are a function of BTU output: upto 65K BTU: $51.70, 500K BTU costs $96.70, 1M BTU costs $125.10 and 5M BTU costs $227.50. A 4% SCC levy also applies ($4.50 min to $560 max).	Residential: Fees range from $44.00 for the first outlet to $188 for 10 outlets to $294 for 20 outlets (plus $8.00 for each addl outlet); Commercial and Industrial are a function of BTU output: upto 150K BTU: $75.00, 500K BTU costs $200, 1M BTU costs $250 and 2M BTU costs $400. A 4% SCC levy also applies ($4.50 min to $560 max).	N/A
Permit Fees - Plumbing	Private Sewage: $93.05; Plumbing: Minimum fee of $51.70 plus $7.95 for each fixture (upto 60 fixtures). A 4% SCC levy also applies ($4.50 min to $560 max).	Costs range based on number of fixtures, from $44 for the first three fixures to $114 for ten fixtures and $189 for twenty. 100 fixtures will cost $502. A 4% SCC levy also applies.	N/A
Tax Rates (2012)	Residential: 8.8232; Non-residential: 15.5725	Residential: 8.8473; Non-residential: 11.527	Residential: 8.225; Non-residential: 13.716

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Industrial zoned land values

	COMMUNITIES	SERVICED INDUSTRIAL	UNSERVICED INDUSTRIAL
1.	AIRDRIE	$450,000	
2.	BLACKFALDS	$250,000 - $275,000	
3.	INNISFAIL	$210,000 - $250,000	
4.	LACOMBE	$275,000	
5.	LEDUC	$500,000	
6.	OLDS	$255,000 - $275,000	
7.	PONOKA	$125,000	
8.	RED DEER	$300,000 - $400,000	
9.	SYLVAN LAKE	$295,000	
10.	LACOMBE COUNTY		$150,000 - $195,000
11.	RED DEER COUNTY	$230,000 - $310,000	$245,000 - $295,000
12.	CALGARY	$600,000 - $625,000 S.E. $700,000 - N.E.	
13.	EDMONTON	$600,000 - $700,000	
14.	ROCKYVIEW COUNTY (EAST OF CALGARY)	PARTIALLY SERVICED NO WATER/SEWER	$300,000 - $350,000

Source: Lloyd Meadows, Century 21 Advantage

16   Appendix J – North American Industry Classification System

The North American Industry Classification System (NAICS) (2007 edition) is an extensive industry classification system developed by the statistical agencies of Canada, Mexico and the United States. NAICS is a comprehensive system encompassing all economic activities. It has a hierarchical structure, and at its highest level, it divides the economy into 20 sectors. Though most employers will fall into a single sector, there will be a few large and complex companies and enterprises whose activities may be spread over the different sectors of NAICS, such that classifying them to one sector will misrepresent the full range of their activities. Each sector, subsector and industry group are codified by a unique number, beginning with the two-digit sector code followed by additional codes specific to lower levels of the hierarchy.

More information may be found at:

http://www.statcan.gc.ca/subjects-sujets/standard-norme/naics-scian/2007/list-liste-eng.htm

The following is a brief introduction to the 20 sectors defined by the NAICS, shown with their respective 2-digit sector codes.

11   Agriculture, Forestry, Fishing and Hunting

This sector comprises establishments primarily engaged in growing crops, raising animals, harvesting timber, harvesting fish and other animals from their natural habitats and providing related support activities. Establishments primarily engaged in agricultural research or that supply veterinary services are not included in this sector.

21   Mining, Quarrying, and Oil and Gas Extraction

This sector comprises establishments primarily engaged in extracting naturally occurring minerals. These can be solids, such as coal and ores; liquids, such as crude petroleum; and gases, such as natural gas. The term "mining" is used in the broad sense to include quarrying, well operations, milling (for example, crushing, screening, washing, or flotation) and other preparation customarily done at the mine site, or as a part of mining activity. Establishments engaged in exploration for minerals, development of mineral properties and mining operations are included in this sector. Establishments performing similar activities, on a contract or fee basis, are also included.

22   Utilities

This sector comprises establishments primarily engaged in operating electric, gas and water utilities. These establishments generate, transmit, control and distribute electric power; distribute natural gas; treat and distribute water; operate sewer systems and sewage treatment facilities; and provide related services, generally through a permanent infrastructure of lines, pipes and treatment and processing facilities.

23   Construction

This sector comprises establishments primarily engaged in constructing, repairing and renovating buildings and engineering works, and in subdividing and developing land. These establishments may operate on their own account or under contract to other establishments or property owners. They may produce complete projects or just parts of projects. Establishments often subcontract some or all of the work involved in a project, or work together in joint ventures. Establishments may produce new construction, or undertake repairs and renovations to existing structures. A construction establishment may be the only establishment of an enterprise, or one of several establishments of an integrated real estate enterprise engaged in the land assembly, development, financing, building and sale of large projects.

31-33 Manufacturing

This sector comprises establishments primarily engaged in the physical or chemical transformation of materials or substances into new products. These products may be finished, in the sense that they are ready to be used or consumed, or semi-finished, in the sense of becoming a raw material for an establishment to use in further manufacturing. Related activities, such as the assembly of the component parts of manufactured goods; the blending of materials; and the finishing of manufactured products by dyeing, heat-treating, plating and similar operations are also treated as manufacturing activities. Manufacturing establishments are known by a variety of trade designations, such as plants, factories or mills.

Manufacturing establishments may own the materials which they transform or they may transform materials owned by other establishments. Manufacturing may take place in factories or in workers' homes, using either machinery or hand tools.

Certain activities involving the transformation of goods are classified in other sectors. Some examples are post-harvest activities of agricultural establishments, such as crop drying; logging; the beneficiating of mineral ores; the production of structures by construction establishments;

and various activities conducted by retailers, such as meat cutting and the assembly of products such as bicycles and computers.

41   Wholesale Trade

This sector comprises establishments primarily engaged in wholesaling merchandise and providing related logistics, marketing and support services. The wholesaling process is generally an intermediate step in the distribution of merchandise; many wholesalers are therefore organized to sell merchandise in large quantities to retailers, and business and institutional clients. However, some wholesalers, in particular those that supply non-consumer capital goods, sell merchandise in single units to final users. This sector recognizes two main types of wholesalers, that is, wholesale merchants and wholesale agents and brokers.

44-45   Retail Trade

The retail trade sector comprises establishments primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise; retailers are therefore organized to sell merchandise in small quantities to the general public. This sector comprises two main types of retailers, that is, store and non-store retailers.

48-49   Transportation and Warehousing

This sector comprises establishments primarily engaged in transporting passengers and goods, warehousing and storing goods, and providing services to these establishments. The modes of transportation are road (trucking, transit and ground passenger), rail, water, air and pipeline. These are further subdivided according to the way in which businesses in each mode organize their establishments. National post office and courier establishments, which also transport goods, are included in this sector. Warehousing and storage establishments are subdivided according to the type of service and facility that is operated. Many of the establishments in this sector are structured as networks, with activities, workers, and physical facilities distributed over an extensive geographic area.

51   Information and Cultural Industries

This sector comprises establishments primarily engaged in producing and distributing (except by wholesale and retail methods) information and cultural products. Establishments providing the means to transmit or distribute these products or providing access to equipment and expertise for processing data are also included. The main components of this sector are the publishing industries (except exclusively on Internet), including software publishing, the motion picture and sound recording industries, the broadcasting industries (except exclusively on Internet), the telecommunications and related services industries (i.e., telephony, including VoIP; cable and satellite television distribution services; Internet access; telecommunications reselling services), data processing industries, and the other information services industries, including Internet publishing and broadcasting and web search portals.

52   Finance and Insurance

This sector comprises establishments primarily engaged in financial transactions (that is, transactions involving the creation, liquidation, or change in ownership of financial assets) or in facilitating financial transactions. Included are:

• establishments that are primarily engaged in financial intermediation. They raise funds by taking deposits and/or issuing securities, and, in the process, incur liabilities, which they use to acquire financial assets by making loans and/or purchasing securities. Putting themselves at risk, they channel funds from lenders to borrowers and transform or repackage the funds with respect to maturity, scale and risk.

• establishments that are primarily engaged in the pooling of risk by underwriting annuities and insurance. They collect fees (insurance premiums or annuity considerations), build up reserves, invest those reserves and make contractual payments. Fees are based on the expected incidence of the insured risk and the expected return on investment.

• establishments that are primarily engaged in providing specialized services that facilitate or support financial intermediation, insurance and employee benefit programs.

53   Real Estate and Rental and Leasing

This sector comprises establishments primarily engaged in renting, leasing or otherwise allowing the use of tangible or intangible assets. Establishments primarily engaged in managing real estate for others; selling, renting and/or buying of real estate for others; and appraising real estate, are also included.

54   Professional, Scientific and Technical Services

This sector comprises establishments primarily engaged in activities in which human capital is the major input. These establishments make available the knowledge and skills of their employees, often on an assignment basis. The individual industries of this sector are defined on the basis of the particular expertise and training of the service provider.

The main components of this sector are legal services industries, accounting and related services industries, architectural, engineering and related services industries, surveying and mapping services industries, design services industries, management, scientific and technical consulting services industries, scientific research and development services industries, and advertising services industries.

The distinguishing feature of this sector is the fact that most of the industries grouped in it have production processes that are almost wholly dependent on worker skills. In most of these industries, equipment and materials are not of major importance. Thus, the establishments classified in this sector sell expertise. Much of the expertise requires a university or college education, though not in every case.

Establishments primarily engaged in providing instruction and training in a wide variety of subjects and those primarily engaged in providing health care by diagnosis and treatment are not included in this sector.

55   Management of Companies and Enterprises

This sector comprises establishments primarily engaged in managing companies and enterprises and/or holding the securities or financial assets of companies and enterprises, for the purpose of owning a controlling interest in them and/or influencing their management decisions. They may undertake the function of management, or they may entrust the function of financial management to portfolio managers.

56   Administrative and Support, Waste Management and Remediation Services

This sector comprises two different types of establishments: those primarily engaged in activities that support the day-to-day operations of other organizations; and those primarily engaged in waste management activities.

The first type of establishment is engaged in activities such as administration, hiring and placing personnel, preparing documents, taking orders from clients, collecting payments for claims, arranging travel, providing security and surveillance, cleaning buildings, and packaging and labelling products. These activities are often undertaken, in-house, by establishments found in many sectors of the economy. The establishments classified to this sector specialize in one or more of these activities and can therefore provide services to clients in a variety of industries and, in some cases, to households.

Waste management establishments are engaged in the collection, treatment and disposal of waste material, the operation of material recovery facilities, the remediation of polluted sites and the cleaning of septic tanks.

61   Educational Services

This sector comprises establishments primarily engaged in providing instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities and training centres. These establishments may be privately owned and operated, either for profit or not, or they may be publicly owned and operated. They may also offer food and accommodation services to their students.

Educational services are usually delivered by teachers who explain, tell, demonstrate, supervise and direct self-learning. Instruction is imparted in diverse settings, such as educational institutions, the workplace or the home (through correspondence, television or other means). The lessons can be adapted to the particular needs of the students, for example sign language can replace verbal language for teaching students with hearing impairments. All industries in the sector share this commonality of process, namely, labour inputs of teachers with the requisite subject matter expertise and teaching ability.

<u>62   Health Care and Social Assistance</u>

This sector comprises establishments primarily engaged in providing health care by diagnosis and treatment, providing residential care for medical and social reasons, and providing social assistance, such as counselling, welfare, child protection, community housing and food services, vocational rehabilitation and child care, to those requiring such assistance.

<u>71   Arts, Entertainment and Recreation</u>

This sector comprises establishments primarily engaged in operating facilities or providing services to meet the cultural, entertainment and recreational interests of their patrons. These establishments produce, promote or participate in live performances, events or exhibits intended for public viewing; provide the artistic, creative and technical skills necessary for the production of artistic products and live performances; preserve and exhibit objects and sites of historical, cultural or educational interest; and operate facilities or provide services that enable patrons to participate in sports or recreational activities or pursue amusement, hobbies and leisure-time interests.

There are establishments engaged in activities related to arts and recreation that are classified in other sectors of NAICS. The most important are listed below.

▪   transportation establishments providing sightseeing and pleasure cruises (48-49, Transportation and Warehousing)

▪   motion picture theatres, libraries and archives, and publishers of newspapers, magazines, books, periodicals and computer software (51, Information and Cultural Industries)

▪   establishments that provide both accommodation and recreational facilities, such as hunting and fishing camps, resorts and casino hotels (721, Accommodation Services)

▪   restaurants and night clubs that provide live entertainment in addition to the sale of food and beverages (722, Food Services and Drinking Places)

<u>72   Accommodation and Food Services</u>

This sector comprises establishments primarily engaged in providing short-term lodging and complementary services to travellers, vacationers and others, in facilities such as hotels, motor hotels, resorts, motels, casino hotels, bed and breakfast accommodation, housekeeping cottages and cabins, recreational vehicle parks and campgrounds, hunting and fishing camps, and various types of recreational and adventure camps. This sector also comprises

establishments primarily engaged in preparing meals, snacks and beverages, to customer order, for immediate consumption on and off the premises.

81   Other Services (except Public Administration)

This sector comprises establishments, not classified to any other sector, primarily engaged in repairing, or performing general or routine maintenance, on motor vehicles, machinery, equipment and other products to ensure that they work efficiently; providing personal care services, funeral services, laundry services and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities; supporting various causes through grant-making, advocating (promoting) various social and political causes, and promoting and defending the interests of their members. Private households are also included.

91   Public Administration

This sector comprises establishments primarily engaged in activities of a governmental nature, that is, the enactment and judicial interpretation of laws and their pursuant regulations, and the administration of programs based on them. Legislative activities, taxation, national defence, public order and safety, immigration services, foreign affairs and international assistance, and the administration of government programs are activities that are purely governmental in nature.

Ownership is not a criterion for classification. Government owned establishments engaged in activities that are not governmental in nature are classified to the same industry as privately owned establishments engaged in similar activities.

Government establishments may engage in a combination of governmental and non-governmental activities. When separate records are not available to separate the activities that are not governmental in nature from those that are, the establishment is classified to this sector.

17   Appendix K – Economic Action Plan 2013

This section provides a brief list of various components of Canada's Economic Action Plan. The list is only meant to provide an indication of the various initiatives that have been undertaken by the federal government to promote jobs and the economy in the country. This material has been taken from the website http://actionplan.gc.ca/ (some initiative targeted at other provinces have been removed). It has three main components:

1. Connecting Canadians with available jobs
2. Helping Manufacturers and Businesses Succeed in the Global Economy
3. Creating a New Building Canada Plan

17.1   Connecting Canadians with Available Jobs

The Economic Action Plan 2013 includes programs, services and initiatives designed to equip Canadians with the skills and training they require to obtain high-quality, well-paying jobs. Skills training is a central element of Economic Action Plan 2013. There are too many jobs that go unfilled in Canada because employers can't find workers with the right skills. Meanwhile, there are still too many Canadians looking for work.

Economic Action Plan 2013 introduces key measures to connect Canadians with available jobs by equipping them with the skills and training they need to obtain high-quality, well-paying jobs. It is also helping businesses in vital sectors find the talent they need to remain competitive domestically and internationally.

Find out more about the initiatives, programs and services that ensure that Canada's economy will create good jobs to sustain a higher quality of life for hard-working Canadian families, and that position the country for success in the 21st century global economy.

1. **Skills Training**
   Through the Economic Action Plan, the Government is transforming the way in which Canadians access the training they need to get jobs in high-demand fields. These include skilled trades, science, technology, engineering and mathematics.

   - Building Digital Skills: Economic Action Plan 2013 announces that the Government will transform skills training in Canada through the introduction of

the Canada Job Grant, as part of the renewal of the Labour Market Agreements in 2014-15.

- Federal Student Financial Assistance: For full-time or part-time students to help ease the financial burden of continuing education. It includes financial assistance to full- and part-time post-secondary students.

- Older Worker Targeted Initiative for Older Workers : A federal-provincial/territorial employment program that provides a range of employment activities for unemployed older workers living in vulnerable communities with populations of 250,000 or less to help them stay in the workforce.

- Tuition Tax Credit for Certification Examination Fees

- Youth Employment Strategy (age between 18 and 30)

2. Apprentices

The Government recognizes the importance of apprentices and has created various federal programs to support apprentices and the employers that hire them.

- Apprenticeship Completion Grants: The Government of Canada offers apprentices up to $4,000 in grants to pay tuition, travel, tools, or other expenses.

- Supporting the Use of Apprentices: Economic Action Plan 2013 proposes to support the use of apprentices through federal procurement, the Investment in Affordable Housing, and as part of the new Building Canada plan for infrastructure.

3. Persons with Disabilities

Increasing the economic and social inclusion of persons with disabilities requires a joint effort on the part of governments, businesses, educational institutions, community agencies, and individuals and their families. There are many federal programs that support persons with disabilities in obtaining employment opportunities.

- Canadian Employers Disability Forum: The Government recognizes the importance of engaging with employers who are committed to promoting the inclusion of persons with disabilities in the workplace.

- Enabling Accessibility Fund: The Enabling Accessibility Fund assists with capital costs of construction and renovation projects to help Canadians with disabilities participate in and contribute to their communities.

- Opportunities Fund for Persons with Disabilities: The Opportunities Fund assists people with disabilities to prepare for, obtain and keep jobs or to become self-employed.

- Reforming Labour Market Agreements for Persons With Disabilities: Economic Action Plan 2013 announced that the Government will introduce a new generation of Labour Market Agreements for Persons with Disabilities (LMAPDs) by 2014 with an investment of $222 million per year.

4. Youth

Find out how the Economic Action Plan is providing young Canadians with access to the information and opportunities necessary to make informed training and employment choices and gain valuable skill sets.

- Connecting Canadians with Available Jobs

- Pathways to Education Canada: Economic Action Plan 2013 confirms that the Government will extend its support to Pathways to Education Canada.

- Promoting Education in High-Demand Fields: To make good career decisions, Canadians, and particularly youth, need to have access to the right information about current and future labour market needs.

- Supporting Canadian Students Abroad through tax credit.

- Youth Employment Strategy (for ages 18 -30 years)

5. Aboriginal Peoples

Canada's young Aboriginal population has tremendous potential for long-term success and economic prosperity, but remains underrepresented in both the labour market and in post-secondary institutions.

- Connecting Canadians with Available Jobs

- First Nation Education Act: Economic Action Plan 2013 confirms the Government's commitment to consult with First Nations across Canada on the development of a First Nation Education Act and is committing to sharing this draft legislation with First Nations communities for their input.

- Post-Secondary Education for First Nations and Inuit Students: Economic Action Plan 2013 proposes $10 million over two years to Inspire to provide post-secondary scholarships and bursaries for First Nations and Inuit students.

- Promoting Business Studies Among Aboriginal Students: Economic Action Plan 2013 proposes $5 million over five years for Cape Breton University's Purdy Crawford Chair in Aboriginal Business Studies to encourage business studies by Aboriginal students.

- Training for On-Reserve Income Assistance Recipients: Economic Action Plan 2013 proposes $241 million over five years to improve the on-reserve Income Assistance Program to help ensure First Nations youth can access the skills and training they need to secure employment.

6. **Newcomers**
   The Government is strengthening Canada's immigration system, moving to one that is proactive and helps to foster economic growth and ensure long-term prosperity for all Canadians.

   - Business Immigration Program: Economic Action Plan 2013 announces the Government's intention to test new approaches to attracting immigrant investors to Canada.

   - Citizenship Program: Economic Action Plan 2013 proposes $44 million over two years to support improved capacity and client service in the Citizenship Program.

   - Federal Skilled Worker Backlog Elimination: Eliminating the bulk of the backlog will allow Citizenship and Immigration Canada to focus resources on facilitating the arrival of skilled immigrants who apply under the current eligibility criteria.

   - International Education Strategy: Economic Action Plan 2013 proposes $23 million over two years for Canada's International Education Strategy to strengthen Canada's position as a country of choice to study and conduct world-class research.

   - Framework for the Assessment and Recognition of Foreign Qualifications: Economic Action Plan 2013 announces the Government's commitment to improving foreign credential recognition for additional target occupations under the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications.

   - Strengthening Canada's Immigration System: Citizenship and Immigration Canada (CIC) will work with provinces, territories, and employers to create a pool of skilled workers who are ready to begin employment in Canada.

   - Temporary Foreign Worker Program: The Government will take action to reform Canada's Temporary Foreign Worker Program to ensure that Canadians are given the first chance at available jobs.

   - Temporary Resident Program: Economic Action Plan 2013 proposes $42 million over two years to meet growing demand under the Temporary Resident Program.

17.2 Helping Manufacturers and Businesses Succeed in the Global Economy

The Economic Action Plan 2013 includes measures designed to strengthen the competitiveness of the Canadian manufacturing sector while supporting small and medium-sized businesses and helping to keep taxes low for job-creating businesses. Growing trade and investment, coupled with a new approach to support a vibrant venture capital market, will allow Canadian businesses to succeed at home and abroad.

1. **Manufacturing**

   The Economic Action Plan includes initiatives that lower taxes and strengthen the competitiveness of the manufacturing industry. This creates a solid foundation for Canadian manufacturers to create jobs and drives economic growth.

   - Building Equipment for the Canadian Armed Forces in Canada: Building on the success of the National Shipbuilding Procurement Strategy, the Government will better ensure that purchases of military equipment create economic opportunities for Canadians.

   - Canadian Innovation Commercialization Program: This program was created to help kick-start Canadian businesses and get their innovative products and services from the lab to the marketplace.

   - National Shipbuilding Procurement Strategy: Through Canada's Economic Action Plan, the federal government confirmed measures to promote the involvement of Canada's small- and medium-sized enterprises in the $35-billion NSPS.

   - Tax Relief for New Manufacturing Machinery and Equipment: Economic Action Plan 2013 proposes to provide $1.4 billion of tax relief to Canada's manufacturing sector through a two-year extension to the temporary accelerated capital cost allowance for machinery and equipment.

2. **Aerospace**

   Canada's aerospace sector is a global technology leader and a major source of high-quality jobs, directly employing 66,000 people across the country. It is among the most research-intensive industries in Canada.

   - Aerospace Technology Demonstration Program: Economic Action Plan 2013 proposes to provide $110 million over four years, beginning in 2014-15, and $55 million annually thereafter, for the creation of an Aerospace Technology Demonstration Program.

   - Investing in the Canadian Space Industry: The federal government is supporting the development of advanced robotics and other space technologies by providing $110 million over three years to the Canadian Space Agency.

   - National Aircraft Certification Program: The Government will review cost-recovery rates for aircraft safety certification to ensure the National Aircraft Certification program can respond to growth in demand for certifications.

   - Space and Space-Related Technologies
   - The Government is reviewing its policies and programs specific to the space sector to better support Canada's space capabilities.

   - Strategic Aerospace and Defence Initiative: The Government will provide stable funding of close to $1 billion over five years for the Strategic Aerospace and Defence Initiative and review the administration and operation of the program over the coming year to improve its effectiveness.

3. **Small Business**
   Canada's innovative small- and medium-sized businesses transform new discoveries into advanced products and technologies, bridging the gap between research and the marketplace. Recognizing their essential role in creating jobs, the Economic Action Plan includes many initiatives to help small businesses succeed in today's economy.

   - Accelerating Adoption of Information and Communications Technologies: Assistance to small- and medium-sized enterprises to adopt digital technologies into their operations to improve productivity and maximize growth potential

   - Canada Revenue Agency Delivers on the needs of Small Business: The Government has dedicated significant effort to reducing the administrative burden associated with the tax system, and the positive impacts of this sustained approach are evident.

   - Canada Small Business Financing Program: Through Canada's Economic Action Plan, the federal government increased the maximum loan amount under the Canada Small Business Financing Program (CSBFP) to $500,000 for real property.

   - Small business owner Hiring Credit for Small Business: Economic Action Plan 2013 proposes to expand and extend the temporary Hiring Credit for Small Business.

   - Lifetime Capital Gains Exemption: Economic Action Plan 2013 proposes to increase the Lifetime Capital Gains Exemption to $800,000 and index the new limit to inflation.

   - Reducing Red Tape for Small Business—BizPaL: Launched in 2006, BizPaL is a free online service that significantly reduces the red tape burden on small business owners.

   - Reducing Taxes for Small Businesses: The Government is committed to supporting the growth of Canadian-controlled private corporations that claim the small business deduction.

4. **Trade**
   The Economic Action Plan promotes trade by supporting the flow of goods and services, and investing in trade zone policies and programs. This will help our manufacturers and businesses continue to succeed on the world stage and secure a prosperous future for all Canadians.

   - Beyond the Border Action Plan: Economic Action Plan 2013 announces investments in economic and security initiatives to implement Canada's commitments under the Canada-United States Beyond the Border Action Plan.

   - Canada's General Preferential Tariff Regime: Economic Action Plan 2013 follows through on last year's commitment to review Canada's General Preferential Tariff regime.

- Canada's Trade Agenda: Deepening trade and investment relationships in large and fast-growing markets helps support jobs and growth in Canada.

- Canadian International Trade Tribunal: Canada's continued support for trade liberalization is complemented by a strong and effective trade policy and remedy system, which acts as an important safety valve for Canadian producers harmed by unfairly traded imports.

- Export Development Canada: Economic Action Plan 2013 announces that the Government will introduce new regulations governing Export Development Canada's domestic activities.

- Foreign Trade Zones: Economic Action Plan 2013 announces measures to reduce red tape, cut costs, improve access to existing programs and promote Canada's foreign trade zone advantage.

- Global Commerce Strategy: Trade and foreign investment are major engines of economic growth. Canada relies on open markets as a source of opportunity and a stimulus to efficiency, which in turn contributes to economic growth and rising incomes.

- Investing in Gateways: Long-term policy, planning and strategic investment in transportation systems to strengthen Canada's position in international commerce.

5. **Responsible Resource Development**
   Major economic projects are an important source of development and job creation in all regions of Canada. To maximize the value that Canada draws from its natural resources, the Economic Action Plan delivers initiatives that promote sustainable management, now and over the long term.
   - Agricultural Flexibility Fund: The Agricultural Flexibility Fund (AgriFlexibility) is a five year (2009-2014) program that seeks to improve the agricultural sector's competitiveness and help it adapt to pressures in a global marketplace.

   - Amending Mining Regulations: Economic Action Plan 2012 proposes $1 million over two years to consider amending metal mining regulations.

   - Consultation Under the Canadian Environmental Assessment Act: With the Responsible Resource Development initiative, Canada continues to have a rigorous environmental review process and ensures that Aboriginal groups are consulted in a meaningful way.

   - ecoENERGY Innovation Initiative: The ecoENERGY Innovation Initiative is investing $281 million over five years to support research, development and demonstration projects to advance Canadian leadership in clean energy technologies.

- Expanding Market Opportunities Program: Support to the forest industry to diversify and expand its markets through the Market Opportunities Program, which combines an Offshore Markets element and a North American Markets element.

- Limit Farm Loss Deduction Limit: Economic Action Plan 2013 proposes to increase the limit that restricts the deductibility of farming losses in some cases.

- Forest Innovation Program: The Transformative Technologies component of the Forest Innovation Program is developing innovative products and increasing investment in research that supports a higher-value-added forest sector.

- Growing Forward 2: Economic Action Plan 2013 highlights the Government's significant investments in support of the agricultural sector.

- Junior Mineral Exploration: Economic Action Plan 2013 proposes to extend the 15-per-cent Mineral Exploration Tax Credit for flow-through share investors for an additional year.

- Generation of Clean Transportation Initiatives: Greenhouse gas emissions and air pollutants are harmful to Canadians' health, degrade the environment and contribute to climate change.

- Supporting Responsible Energy Development Supporting Responsible Energy Development: Economic Action Plan 2012 proposes $35.7 million over two years to support responsible energy development.

6. **Financial Sector**
   Canada's financial system is widely recognized as one of the most resilient and best regulated in the world. Measures and initiatives of the Economic Action Plan reinforce the stability of the financial sector and protect Canadian consumers.

- Competitive Financial Services: Economic Action Plan 2013 will review the regulatory framework to ensure that new financial institutions can emerge, grow and compete to offer Canadians better products and services.

- Conflict of Interest Provisions: The Government will examine whether the conflict of interest provisions contained in the financial sector statutes remain consistent with the overall Government policy as outlined in the Conflict of Interest Act.

- Demutualization of Property and Casualty Mutual Insurance Companies: The Government is developing a framework which will provide, for companies that choose to demutualize, an orderly and transparent process and ensure that policyholders are treated fairly and equitably.

- Financial Institution Governance: Economic Action Plan 2013 will propose to remove some residency requirements to provide flexibility for financial institutions to efficiently structure the committees of their boards of directors.

- Housing Finance Framework: Economic Action Plan 2013 will implement changes to limit the use of portfolio insurance and prohibit the use of any government-backed insured mortgage as collateral in securitization vehicles that are not sponsored by Canada Mortgage and Housing Corporation.

- Improving Access to Capital for Canadian Financial Institutions: The Government will introduce legislative amendments to allow public sector investment pools that satisfy certain criteria to directly invest in a Canadian financial institution, subject to approval by the Minister of Finance.

- Improving Corporate Transparency: The Government will consult Canadians on the issue of corporate transparency, with a focus on bearer shares and the ability of competent authorities to access information on corporate beneficial ownership.

- International Growth of the Canadian Financial Sector: Economic Action Plan 2013 will enhance the Government's support for the strategic international expansion of Canadian financial institutions.

- Over-the-Counter Derivatives Reform: The Government will continue to review federal legislation and, where appropriate, introduce further changes to support the over-the-counter derivatives reform agenda.

- Regulation of Capital Markets: The Government's preferred approach to improving the regulation of Canada's capital markets is through a common securities regulator established cooperatively with provinces and territories.

- Risk Management Framework for Domestic Systemically Important Banks: Economic Action Plan 2013 will implement a comprehensive risk management framework for Canada's systemically important banks.

7. **Business Taxation**

   A competitive business tax system plays a key role in supporting businesses in all sectors of the Canadian economy to invest, grow and thrive. The Economic Action Plan's initiatives and programs spur investment and productivity by improving Canada's overall business environment and tax competitiveness.

   - Combating International Tax Evasion and Aggressive Tax Avoidance: Economic Action Plan 2013 proposes a number of measures to address international tax evasion and aggressive tax avoidance.

   - Phasing Out Tax Preferences for Capital Expenditures in the Mining Sector: Economic Action Plan 2013 proposes to phase out tax preferences for capital expenditures in the mining sector by aligning the deduction rates of capital assets in the mining sector with those available in the oil & gas sector.

   - Phasing out the Additional Deduction for Credit Unions: Economic Action Plan 2013 proposes to phase out the additional deduction for credit unions to improve the neutrality and fairness of the tax system.

- Tax Simplification and Compliance: Economic Action Plan 2013 announces a number of measures to make the tax system simpler, and to facilitate and improve compliance.

17.3 Creating a New Building Canada Plan

Investments in Canada's public infrastructure create jobs, economic growth and provide a high quality of life for families in every city and community across the country. Economic Action Plan 2013 delivers a new Building Canada plan to build roads, bridges, subways, commuter rail and other public infrastructure in cooperation with provinces, territories and municipalities.

1. **Building Canada**
   Investments in Canada's public infrastructure create jobs and economic growth, and provide a high quality of life for families in every city and community across the country. The Economic Action Plan invests in public transit, roads, highways and bridges, as well as in ports, airports and other community infrastructure projects.

   - Building Canada Fund: Economic Action Plan 2013 proposes to provide $14 billion over 10 years for a new Building Canada Fund to support infrastructure projects of national, regional and local significance.

   - Community Improvement Fund: Economic Action Plan 2013 proposes the Community Improvement Fund to offer stable, predictable funding to support community infrastructure projects such as roads, public transit and recreational facilities.

   - P3 Canada Fund: Economic Action Plan 2013 proposes to provide $1.25 billion over five years on a cash basis to renew the P3 Canada Fund.

   - P3 Screen for Large Infrastructure Projects: Economic Action Plan 2013 proposes to allocate $10 million from the renewed P3 Canada Fund to support procurement option assessments undertaken by provinces, territories and municipalities.

   - Support for Assessments of Infrastructure Project Procurement Options: Economic Action Plan 2013 proposes to allocate $10 million from the renewed P3 Canada Fund to support procurement option assessments undertaken by provinces, territories and municipalities.

2. **First Nations Infrastructure**
   The Economic Action Plan supports investments in First Nations on-reserve infrastructure projects such as roads, bridges and energy systems, as well as in other First Nations infrastructure priorities.

   - First Nations Water Infrastructure: Economic Action Plan 2012 proposes $330.8 million over two years to build and renovate water infrastructure on reserve and

to support the development of a long term strategy to improve water quality in First Nations communities.

- Investing in On-Reserve Infrastructure: Budget 2011 committed $22 million over two years to help First Nations ensure that the fuel tanks that power their essential community services meet new environmental safety standards.

- Support for First Nations Infrastructure: Economic Action Plan 2013 proposes $155 million over 10 years for First Nations on-reserve infrastructure from the new Building Canada Fund, in addition to allocations from the Gas Tax Fund.

3. **Federal Infrastructure**

Investments in federal infrastructure create employment opportunities in communities across Canada and contribute to economic growth. Federal infrastructure plays a critical role in the safe and efficient movement of people and goods. It also supports government operations and the delivery of services to Canadians.

Canada's Public Infrastructure: The Government of Canada has committed to working with partners and stakeholders to develop a long-term plan for public infrastructure.

18   Appendix L – Summary of Results from Advisory Committee Focus Group

THE CITY OF
Red Deer
DEVELOPMENT SERVICES DIVISION

Date: July 3, 2013
To: John Sennema, Michelle Zeggil – Land & Economic Development
From: Jeremy Bouw, Divisional Strategist

**Subject: Economic Development Strategy Advisory Committee
               Focus Group – Prioritization of Strategies**

At the July 3ʳᵈ Advisory Committee Focus Group, participants were led through an activity to refine and prioritize a list of recommended strategies from the *Economic Development Strategy*, produced by Urbanics Consultants Ltd. The facilitated activity had three phases:

1)   Each participant was asked to individually identify if a strategy was of high, medium or low priority to them. From this list of high priorities, they were to select their top ten priorities.

2)   In groups of 3, they shared their top ten priorities. Based on what was shared, a new top ten was determined by the number of votes each strategy received. If there were several that received the same number of vote, the group was responsible for determining which ten would be put forward.

3)   Each group then submitted their top ten priorities. The votes were tabulated, and from that, final top-ten list would be developed.

In total, 18 of the 34 recommended strategies received votes; 11 strategies were prioritized by receiving the most votes (out of a possible 10). They can be seen below:

RANK	PRIORITY	FOCUS AREA	VOTES
1	Ensure sufficient supply of serviced industrial land	Land Use Initiatives	9/10
2	Unlock the full potential of road, rail and air transportation networks	Economic Diversification Initiatives	8/10
3	Create higher-density development Downtown	Downtown Revitalization Initiatives	7/10
4	Promote growth of creativity and knowledge-based businesses	Economic Diversification Initiatives	6/10
5	Capitalize on Red Deer's centralized location	Strategic Positioning Initiatives	5/10
5	Continue to develop a Red Deer identity and brand	Strategic Positioning Initiatives	5/10
5	Maximize the benefits from Red Deer Airport	Strategic Positioning Initiatives	5/10
6	Support business incubator spaces and mentoring for startups	Small Business Initiatives	4/10
7	Promote greater housing stock diversity of housing	Land Use Initiatives	3/10
7	Attract more workers to the city	Labour and Education Initiatives	3/10
7	Assess needs for public services for growing populations	Downtown Revitalization Initiatives	3/10

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The above table represents the Committee's HIGH priority strategies. Those strategies that received votes but did not make it into the top comprise the list of MEDIUM priority strategies:

PRIORITY	FOCUS AREA	VOTES
Monitor demand for commercial space and industrial land	Land Use Initiatives	2/10
Support efforts to increase the high school completion rate	Labour and Education Initiatives	2/10
Identify and promote most effective job creators	Small Business Initiatives	2/10
Consult with the Donald School of Business	Downtown Revitalization Initiatives	2/10
Build on existing strengths within the oil and gas sector	Economic Diversification Initiatives	1/10
Promote and expand agribusiness	Economic Diversification Initiatives	1/10
Promote efforts to train and retrain the local workforce	Labour and Education Initiatives	1/10

The remaining 16 strategies received no votes and make up the list of LOW priority strategies:

PRIORITY	FOCUS AREA
Attract corporate head offices	Economic Diversification Initiatives
Promote "green" technology companies	Economic Diversification Initiatives
Ensure new housing is aligned with vision and guiding principles	Land Use Initiatives
Continue exploring retail redevelopment options for Gaetz Avenue, especially downtown	Land Use Initiatives
Continue to support the downtown as the city's primary office location	Land Use Initiatives
Leverage brownfields for higher-density infill developments	Land Use Initiatives
Attract immigrant entrepreneurs to the city	Labour and Education Initiatives
Develop/support small-business mentoring and advisory services	Small Businesses Initiatives
Develop succession planning services for retiring business owners	Small Businesses Initiatives
Streamline process to establish businesses	Small Businesses Initiatives
Work to develop financing options for new businesses	Small Businesses Initiatives
Explore feasibility of deferring fee and utility payments for start-ups	Small Businesses Initiatives
Create more rental apartments in the downtown area	Downtown Revitalization Initiatives
Make downtown a year-round destination	Downtown Revitalization Initiatives
Reduce crime downtown	Downtown Revitalization Initiatives
Capitalize on the Historic Downtown built environment	Downtown Revitalization Initiatives

Upon completion of the activity, the group was asked if they were comfortable with what was determined to be the top priorities for the Economic Development Strategy: the group supported what was determined and there were no major concerns raised.

19   Appendix M – Details of Results from Business Consultation

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July 8, 2013

Mr. John Sennema
Manager, Land & Economic Development
City of Red Deer
Box 5008
Red Deer, AB T4N 3T4

Dear Mr. Sennema:

Thank-you for contacting Schollie Research & Consulting to review the results from your Economic Development Strategy survey and provide our observations.

Methodology:

As part of the process for creating an Economic Development Strategy, The City of Red Deer's Land and Economic Development department administered a feedback mechanism for local businesses to provide further input on the six major focus areas identified in the strategy:

1.   Strategic Positioning
2.   Economic Diversification
3.   Effective Land Use
4.   Labour Availability
5.   Small Business Support
6.   Downtown Revitalization

An online survey was developed and administered through Survey Monkey. The survey was posted on The City of Red Deer's website and e-mailed out to the local business community. The Red Deer Chamber of Commerce mail list was used along with the department's mail list. Approximately 1,200 invitations to complete the survey were sent out in late June.

124 responses were received across a variety of sectors. The sectors most strongly represented are: construction (12 respondents), retail trade (12 respondents), real estate and rental and leasing (11 respondents), professional, scientific and technical services (14 respondents), other services (15 respondents).

Our Observations: 124 responses (about a 10% response rate) is quite reasonable given the methodology and nature of the survey. There is a nice representation across industry sectors however, given that Red Deer's key industries have been identified as 1) oil & gas extraction and mining, 2) construction, 3) manufacturing, 4) health care & social assistance, 5) retail trade, 6) accommodation & food services, it would seem that, except for construction and retail trade, these categories are under-represented.

Survey results cannot be projected onto the greater business community and statistical significance cannot be applied to the results.

Strategic Positioning:

	% indicating	
Strategies:	**"high" priority**	**"high" + "medium" priority**
Capitalize on Red Deer's central location	76%	97%
Continue to develop a Red Deer identity and brand	41%	84%
Maximize the benefits from the Red Deer Airport	35%	72%
Focus Area:	**Rating Average**	**Rank**
Strategic Positioning	3.83	5 out of 6

Under Strategic Positioning, 76% (or 93 respondents) indicated capitalizing on Red Deer's central location as a "high" priority. This is one of the highest rated strategies across the board. When ranked, Strategic Positioning had the fifth highest average rating out of the six strategies areas.

Economic Diversification:

Strategies:	% indicating	
	"high" priority	"high" + "medium" priority
Promote growth of creativity and knowledge based businesses	46%	93%
Unlock the full potential of road, rail and air transportation network	47%	89%
Attract corporate head offices	39%	78%
Build on existing strengths within the oil & gas sector	39%	84%
Promote "green" technology companies	36%	73%
Promote and expand agribusiness	41%	86%
Focus Area:	**Rating Average**	**Rank**
Economic Diversification	2.88	1 out of 6

Between 36% and 46% of respondents consider the six strategies to be of "high" priority. Although less than 50% of each of the individual strategies are indicated "high" priority, Economic Diversification had the strongest average rating out of the six strategy areas and was rated highly fairly consistent across all industry sectors.

It is worth noting that these strategies complement Red Deer's key industries and generally focus on attracting industries that would bring value in the way of high paying jobs and innovation to Red Deer.

Effective Land Use:

Strategies:	% indicating	
	"high" priority	"high" + "medium" priority
Monitor demand for commercial space and industrial land	44%	91%
Ensure new housing is aligned with vision and guiding principles	47%	84%
Explore retail options along Gaetz Avenue, especially downtown	43%	74%
Continue to support downtown as the city's primary office location	43%	76%
Continue to ensure a sufficient supply of serviced industrial land	49%	89%
Promote greater housing stock and diversity of housing	41%	84%
Leverage brownfields for higher density infill developments	33%	70%
Focus Area:	**Rating Average**	**Rank**
Land Use	3.58	4 out of 6

With the exception of leveraging brownfields for higher density infill developments, between 40% and 49% of respondents consider the other six individual strategies to be of "high" priority. When ranked, Land Use had the fourth highest average rating out of the six strategies areas.

The results by industry sectors are interesting in that:

- Finance and insurance (75%), and real estate and rental and leasing (73%) place particular "high" priority on "monitor demand for commercial space and industrial land."
- "Continue to ensure a sufficient supply of serviced industrial land" is rated "high" by the following industry sectors:
    - transportation & warehousing (100%)
    - real estate and rental and leasing (82%)
    - finance and insurance (75%)
    - manufacturing (75%)
    - wholesale trade (67%)
- "Promote greater housing stock & diversity of housing" is rated "high" priority by accommodation & food services (100%), arts/entertainment and recreation (80%), and construction (64%).

Land availability is an important component of community readiness. It symbolizes that a community is ready for new and expanded developments. Effective planning also demonstrates that a community is future oriented.

Labour Availability:

	% indicating	
Strategies:	**"high" priority**	**"high" + "medium" priority**
Promote efforts to train and retrain the local workforce	74%	94%
Support efforts to increase the high school completion rate	79%	94%
Attract immigrant entrepreneurs to Red Deer	32%	67%
Attract more workers to Red Deer	52%	88%
Focus Area:	**Rating Average**	**Rank**
Labour and Education	2.90	2 out of 6

Under Labour Availability, 79% (or 88 respondents) indicated "support efforts to increase the high school completion rate" as a "high" priority and 74% (or 82 respondents) indicated "promote efforts to train and retrain the local workforce" as a high priority. These are two of the highest rated strategies across the board.

Labour and Education is the second most highly ranked strategy out of the list of six focus areas.

"Support efforts to increase the high school completion rate" is rated "high" by 67% or more of all industry sectors except accommodation & food services.

Attracting immigrant entrepreneurs to Red Deer is rated a "high" priority by 73% of respondents in real estate and rental and leasing. Only 50% or lower of all other sectors rate this as a "high" priority. "Attract more workers to Red Deer" is ranked a "high" priority by mining/quarrying/oil & gas extraction, and manufacturing – two of Red Deer's key industries.

Labour shortages are forecast to be an ongoing issue as Alberta continues to maintain a positive economic outlook. Additionally, a mass wave of baby boomer retirements will occur over the next decade further exacerbating labour force issues.

Small Business Support

	% indicating	
Strategies:	**"high" priority**	**"high" + "medium" priority**
Develop or support small –business mentoring and advisory services	40%	85%
Develop succession planning services for retiring business owners	19%	63%
Streamline process to establish businesses	52%	91%
Identify and promote most effective job creators	38%	82%
Support business incubator spaces and mentoring for start-ups	34%	75%
Work to develop financing options for new businesses	35%	74%
Explore feasibility of deferring fee and utility payments for start-ups	26%	70%
Focus Area:	**Rating Average**	**Rank**
Small Business	3.06	3 out of 6

"Streamline process to establish businesses" is the highest ranked strategy under the seven Small Business Support strategies. This was ranked particularly high by real estate and rental and leasing (82%). A municipality's permitting and development process tends to demonstrate a certain perception about whether or not that municipality is "business-friendly" and we often hear comments to this

regard when interviewing businesses in various municipalities. Out of the 22 comments received, 4 comments were regarding the permitting and development process.

"Develop succession planning services for retiring business owners" is the lowest ranked priority out of all those listed under the six focus areas; 13% of respondents indicated it is "not a priority."

When ranked, Small Business Support was the third highest average rating out of the six strategies areas.

While small business support is an important priority for the business community, it may not be one that respondents and/or the City consider their place to invest resources. As one respondent states: "It is not the City's job to educate business; leave that to RDC and BDC."

Downtown Revitalization

Strategies:	% indicating	
	"high" priority	"high" + "medium" priority
Create higher density development downtown	37%	76%
Create more rental apartments in greater downtown area	31%	67%
Make downtown a year round destination	44%	80%
Reduce crime downtown	76%	92%
Capitalize on the Historic Downtown built environment	30%	71%
Consult with the Donald School of Business	20%	59%
Assess needs for public services for growing populations	41%	79%
Focus Area:	**Rating Average**	**Rank**
Downtown Revitalization	4.76	6 out of 6

Overall, downtown revitalization is ranked as the lowest priority among survey respondents.

Results are a little ironic in that "reduce crime downtown" is considered a "high" priority by 76% of respondents (82 respondents), however the supporting strategies that would help to reduce crime downtown and revitalize it are not ranked particularly strongly.

Out of the 22 comments received, 7 comments were regarding the downtown. Parking was mentioned as an issue in a couple of the comments – parking must be provided for residential developments.

Even though the results are lower down the list of strategic priorities for respondents, downtown revitalization is still important. Downtowns are the heart and soul of a community and provide an all-important first impression of a community. They symbolize community pride, quality of life, community economic health, and are the historic core of a city.

The lower results here may indicate the need for selling a stronger vision for the downtown and how a strong downtown will benefit the greater community. It could also be that a small portion of the survey respondents have direct ties to the downtown and therefore bestow less priority on it. A limitation of the research may be that respondents do not have a strong understanding of how some of the strategies listed will benefit them and their community. For example, not all respondents may understand how "Consult with the Donald School of Business" will contribute to Downtown Revitalization.

Overall Observations:

In conclusion, the top individual priorities identified by business survey respondents of this survey are:

		% indicating	
Strategies:	**Focus Area**	**"high" priority**	**"high" + "medium" priority**
Support efforts to increase the high school completion rate	Labour & Education	79%	94%
Capitalize on Red Deer's central location	Strategic Positioning	76%	97%
Reduce crime downtown	Downtown Revitalization	76%	92%
Promote efforts to train and retrain the local workforce	Labour & Education	74%	94%
Streamline process to establish businesses	Small Business Support	52%	91%
Attract more workers to Red Deer	Labour & Education	52%	88%
Continue to ensure a sufficient supply of serviced industrial land	Land Use	49%	89%

Combined, 59% or more of respondents rate all 34 individual strategies as a "high" or "medium" priority. Consequently, the majority of business survey respondents consider all the priorities listed to be important.

The results from this survey should be used to guide strategic priorities and used to support other findings, not decree them.

The Advisory Committee identified the following strategies as High priority strategies for moving forward:

Strategies:	Focus Area
1. Ensure sufficient supply of serviced industrial land	Land Use
2. Unlock the full potential of road, rail and air transportation networks	Economic Diversification
3. Create higher-density development downtown	Downtown Revitalization
4. Promote growth of creativity and knowledge based businesses	Economic Diversification
5. Capitalize on Red Deer's central location	Strategic Positioning
6. Continue to develop a Red Deer identity and brand	Strategic Positioning
7. Maximize the benefits from the Red Deer Airport	Strategic Positioning
8. Support business incubator spaces and mentoring for start-ups	Small Business
9. Promote greater housing stock and diversity of housing	Land Use
10. Attract more workers to Red Deer	Labour & Education
11. Assess needs for public services for growing populations	Downtown Revitalization

As previously discussed, the bulleted strategies overlap as high priorities between both groups consulted and therefore appear to have a strong case for moving forward:

- Capitalize on Red Deer's central location
- Attract more workers to Red Deer
- Ensure sufficient supply of serviced industrial land
- Promote growth of creativity and knowledge based businesses
- Unlock the full potential of road, rail and air transportation networks

In order to help determine which strategies are high priorities based on both the business survey and the Advisory Committee findings we colored-coded the results. Although subjective, we assigned high (red), medium (green), and low (yellow) rankings to the business survey results based on general breaks in the results received.

	Range of survey Results	Ranking
Business Survey: % indicating "high" priority	50.0% - 100.0%	High
	40.0% - 49.9%	Medium
	< 40.0%	Low
Business Survey: % indicating "high" + "medium" priority	85.0% - 100.0%	High
	70.0% - 84.9%	Medium
	< 70.0%	Low

We also colored-coded the Advisory Committee results based on the committee's assessed high (red), medium (green), and low (yellow) priorities.

Focus Area:	Strategies:	Business Survey: % indicating		Advisory Committee Emphasis
		"high" priority	"high" + "medium" priority	
Strategic Positioning	Capitalize on Red Deer's central location	76%	97%	High (5/10)
Labour & Education	Attract more workers to Red Deer	52%	88%	High (3/10)
Economic Diversification	Promote growth of creativity and knowledge based businesses	46%	93%	High (6/10)
Economic Diversification	Unlock the full potential of road, rail and air transportation network	47%	89%	High (8/10)
Land Use	Continue to ensure a sufficient supply of serviced industrial land	49%	89%	High (9/10)
Labour & Education	Support efforts to increase the high school completion rate	79%	94%	Medium (2/10)
Labour & Education	Promote efforts to train and retrain the local workforce	74%	94%	Medium (1/10)
Strategic Positioning	Continue to develop a Red Deer identity and brand	41%	84%	High (5/10)
Land Use	Promote greater housing stock and diversity of housing	41%	84%	High (3/10)
Downtown Revitalization	Assess needs for public services for growing populations	41%	79%	High (3/10)
Land Use	Monitor demand for commercial space and industrial land	44%	91%	Medium (2/10)
Economic Diversification	Promote and expand agribusiness	40%	86%	Medium (1/10)
Downtown Revitalization	Create higher density development downtown	37%	76%	High (7/10)
Downtown Revitalization	Reduce crime downtown	76%	92%	Low
Small Business Support	Streamline process to establish businesses	52%	91%	Low
Small Business Support	Develop or support small –business mentoring and advisory services	40%	85%	Low
Land Use	Ensure new housing is aligned with vision and guiding principles	47%	84%	Low
Downtown Revitalization	Make downtown a year round destination	44%	80%	Low
Economic Diversification	Build on existing strengths within the oil & gas sector	39%	84%	Medium (1/10)
Small Business Support	Identify and promote most effective job creators	38%	82%	Medium (2/10)
Small Business Support	Support business incubator spaces and mentoring for start-ups	34%	75%	High (4/10)
Strategic Positioning	Maximize the benefits from the Red Deer Airport	35%	72%	High (5/10)
Land Use	Continue to support downtown as the city's primary office location	43%	76%	Low
Land Use	Explore retail options along Gaetz Avenue, especially downtown	43%	74%	Low

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Based on the data in the table above, we suggest that the top priorities are:

Strategies:	Rationale
Capitalize on Red Deer's central location	Strong emphasis by both Advisory Committee and Business Survey
Attract more workers to Red Deer	Strong emphasis by both Advisory Committee and Business Survey
Promote growth of creativity and knowledge based businesses	Strong emphasis by both Advisory Committee and Business Survey
Ensure sufficient supply of serviced industrial land	Strong emphasis by both Advisory Committee and Business Survey
Unlock the full potential of road, rail and air transportation networks	Strong emphasis by both Advisory Committee and Business Survey
Continue to develop a Red Deer identity and brand	Strong emphasis by Advisory Committee and moderate emphasis by Business Survey
Assess needs for public services for growing populations	Strong emphasis by Advisory Committee and low to moderate emphasis by Business Survey
Promote greater housing stock and diversity of housing	High emphasis by the Advisory Committee and moderate emphasis by the Business Survey
Higher density development downtown	Strong emphasis by Advisory Committee and low to moderate emphasis by Business Survey. Business survey also ranked "reduce crime downtown" as a high priority.
Support efforts to increase the high school completion rate	Business Survey indicated this to be a high priority and Advisory Committee identified as a medium priority
Promote efforts to train and retrain the local workforce	Business Survey indicated this to be a high priority and Advisory Committee identified as a medium priority
Monitor demand for commercial space and industrial land	Moderate emphasis by both Advisory Committee and Business Survey
Streamline process to establish business	Business Survey indicated this to be one of the top strategies in the form of small business support.
Maximize the benefits from the Red Deer Airport	Strong emphasis by the Advisory Committee and lower to moderate emphasis from the Business Survey

Some strategies, such as "maximize the benefits from the Red Deer Airport" and "create higher density development downtown" might require a little more education and selling to the business community if pursued to gain "buy-in."

In terms of moving forward, we suggest that sound judgment be used to push forward the key strategies. Consider available resources to implement strategies, other strategic priorities and directions (e.g. City of Red Deer Strategic Direction 2012-14), and ability to implement and influence outcomes.

We've provided a couple examples of how results from the Advisory Committee, the business survey, and other factors would provide a strong rationale for moving priorities forward.

Strategy: Continue to ensure a sufficient supply of serviced industrial land
Rationale: • Was identified as a top priority by Advisory Committee (9 out of 10 votes). • Business Survey also identified as a high priority: 49% of respondents rated as "high" priority and 89% of respondents rated as a "high" or "medium" priority. • An adequate supply of commercial and industrial land allows local existing businesses to grow and expand in Red Deer rather than having to look elsewhere. • An adequate supply of commercial and industrial land allows new businesses to "set-up shop" in Red Deer rather than elsewhere. • An adequate supply of commercial and industrial land tells investors that Red Deer is "open for business." • Helps to increase commercial / industrial tax base. • Fits with the outcomes outlined in the City of Red Deer Strategic Direction (2012-2014). • [City of Red Deer can probably cite specific examples given that an insufficient supply of serviced industrial land has been an issue in the past]

Strategy: Create higher-density development downtown
Rationale: • Was identified as a top priority by Advisory Committee (7 out of 10 votes). • Ties in quite strongly with the City of Red Deer Strategic Direction (2012-2014). • 76% of business survey respondents identified "create higher density development downtown" as a "high" or "medium" priority. 76% of business survey respondents indicated "reduce crime downtown" as a "high" priority. High density development in the downtown is one of the way in which downtown crime can be reduced.

Sincerely,

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