

PARTNERSHIPS FOR PROSPERITY:

ECONOMIC DEVELOPMENT STRATEGY & ACTION PLAN

Update 2017-2022





Acknowledgements



Economic Development Advisory Committee

STANDING (FROM LEFT TO RIGHT)

Bruce Mullett, Charlene Bell, Cindy Barclay, Robert Smith, Nizar Abouchami, Chad Zender, and Alderman Searle Turton

SEATED (FROM LEFT TO RIGHT)

Alderman Bill Steinburg and Alderman Wayne Rothe

This Report was prepared by MDB Insight in collaboration with the Economic and Business Development Department for the City of Spruce Grove. We would specifically like to recognize the contribution of Department staff including Dave Walker (Manager), Karla Gould (Economic Development Specialist – Industrial) and Jamie-Lynn Pitts (Economic Development Specialist – Commercial).

We would like to thank the Economic Development Advisory Committee (EDAC) for their advice and support throughout the development of the strategy update. Members of EDAC include Bruce Mullett, Charlene Bell, Cindy Barclay, Nizar Abouchami, Chad Zender, Robert Smith, Alderman Bill Steinburg, Alderman Searle Turton and Alderman Wayne Rothe.

We would like to also thank our Social Media Ambassadors who through their influence and following were able to promote and enhance our survey response rate and knowledge of the strategy's development process. Social Media Ambassadors include: City of Spruce Grove Communications Department (Jennifer Hetherington), Economic Development Specialist (Jamie-Lynn Pitts), Family and Community Support Services (Janine Peter), Spruce Grove Public Library (Tammy Svenningsen), Chamber of Commerce (Diane Pilla), Tri-Leisure Centre (Rob Svarich), Perks Coffee House, Browns Social House, Aerials Gymnastics and Solare Distributors Inc.

Through the hard work of our ambassadors we received over 350 responses from business and community stakeholders who through their valuable input have assisted in the update of the City's Economic Development Strategy.



Executive Summary

In 2010, the City of Spruce Grove approved the Partnerships for Prosperity Economic Development Strategic Plan to provide direction to the City's economic and business development efforts. Intended as a 10 year strategy, it is being updated in this report to ensure economic development efforts reflect the current needs and aspirations of the community, as well as the changing economic fortunes of the region and the province.

With a rapidly growing community, the impact of low oil prices spreading beyond the energy sector to the housing, retail and construction sectors and growing concerns that the economic downturn in the province is as much structural as it is cyclical, it is considered timely to conduct a review of the principles and objectives that underpin the strategic plan to ensure continued growth of the local economy.

The goal of the updated strategy is to optimize Spruce Grove's economic development capacity and resources over the next five years and beyond. To this end, this report serves to prioritize the City's economic opportunities and deliver on a common vision for a future where quality of life is enhanced, the local economy grows and the community thrives. Each goal presented in the updated strategy has specific objectives and performance indicators so they can be prioritized, resourced and monitored appropriately.

The updated strategy represents the culmination of several months of work by staff and an external Project Team from the consulting firm of MDB Insight. The methodology used to develop the report combined research and analysis of the current context in Spruce Grove, the surrounding region and the province, with a comprehensive consultation and engagement process. The voices of local and regional community and business leaders also provided strong guidance during the planning process.

There is a sense of optimism when considering Spruce Grove's future. The City has a strong financial position, community assets and favourable demographics. The city's population growth continues to outpace the province and is benefiting from an influx of young families. Since 2001, Spruce Grove has also benefited from strong employment growth, resulting in strong business and industry performance which has led to the development of a diverse economy.



While the oil and gas sector and its related supply chain are important to the City's industrial base, there has also been substantial growth in agri-food, engineering and construction, and industrial fabrication and services. Commercial growth in retail, professional and medical services has been supported by rapid population growth and the City's emergence as the regional service centre for a trade catchment of over 138,000 people.

Success of Economic Development Efforts

In updating the 2010 Partnerships for Prosperity Economic Development Strategy consideration has been given to the success of the implementation efforts over the last five years. Good progress has been made towards achieving the Strategy's goal of an 80/20 residential/non-residential assessment split by 2020. In 2016, the assessment closed at 83/17, with non-residential assessment growing 0.5 percentage point per year since 2010. This is noteworthy given the rapid population growth of over 5% annually during the same period. The rapid growth experienced by Spruce Grove since the launch of the "Partnerships for Prosperity 2010 – 2020" Strategy is clearly demonstrated by the increase in building permit values. The average value over the 2010 to 2017 period was \$166.1 million per year for a cumulative value of \$1.329 billion. This compares with \$119 million per year from 2005 to 2009.

The City's Economic and Business Development Department continues to develop strong relationships with the commercial and industrial development community and has been instrumental in attracting new development to Spruce Grove. In taking on this activist role, the Department and the City have undertaken strategic initiatives such as the Westwind land assembly, the Tri Leisure Village recreation campus, the Diamond Grove RV Campground and recent actions directed at revitalization of the City Centre and the attraction of a NAIT campus to Spruce Grove. These strategic initiatives have assisted in growing the local employment labour force, attracting new residents and adding to the non-residential assessment.

The City's Economic and Business Development Department continues to invest in its community marketing materials to champion the City's ability to attract residential, commercial and industrial investment. The Department recently launched its Economic Development website with enabled GIS mapping and site locator features to support its site selection material and has also been forming partnerships with local developers to market the community through initiatives such as "Sweet Life Spruce Grove". The efforts of the award winning "Here We Grow" marketing materials and social media platforms have led to the growth of Spruce Grove's desirability as a community of choice to live, raise a family, and run a business. Several accolades promoted Spruce Grove as a top five community to live and work in Alberta.

Overcoming Challenges

During the consultation process and community assessment, the Project Team identified a series of key issues that require attention. Given the slower pace of oil and gas related investment going forward, it is important to continue looking for opportunities related to renewable energy, environmental services, logistics, metal fabrication, agri-foods, advanced technology and other industries. These new sources of economic growth have already begun to emerge in Spruce Grove and will need continued nurturing and support.

There is also a need to recognize the impact of the Acheson Industrial Area. Rather than compete, it is important to strategize the benefits of cooperation and strength that a combined industrial zone can provide from a competitive and regional standpoint. To further this issue, the City needs to assure an adequate supply of commercial and industrial land to support new investment. Shortage of high quality highway commercial and industrial lands has already resulted in lost investment and the pace of residential growth continues to bring pressure against the supply of these lands. The City's Growth Study will help to deal with these issues but the City may also have to consider other actions.

Another key issue is the lack of adequate broadband service currently acting as a constraint in attracting and retaining businesses, particularly those with high data requirements, and the desire of local residents to find employment closer to home rather than commute. In addressing broadband service, the City has developed a broadband strategy.

With adequate broadband capabilities the City can grow its technology based industries which often provide more jobs with higher skill and education requirements, which can lead to more local jobs for residents. There is also a need to increase the density of commercial development across the City as a strategy to generate higher assessment values. The redevelopment of the City Centre and Highway commercial lands present some good opportunities to achieve this goal.

Moving Forward

While the intent of the Partnerships for Prosperity Economic Development Strategy remains sound, during the update of this strategy a number of priorities have emerged that lay the groundwork for moving the City's economic development agenda forward. In particular, the Strategy's focus to assist Spruce Grove in reaching the target goal of 80/20 residential/non-residential assessment by 2020 remains in place.

To support effective engagement with these priorities the updated strategy provides a series of goals for economic development in Spruce Grove. Each goal is underpinned by a strategic objective and actions that aim to advance a progressive and effective economic development agenda.

In total, the Strategy suggests 57 action items to be pursued by the Economic and Business Development Department in collaboration with a series of partners, including other departments and regional organizations.

Goals & Objectives

Goal 1 Building Our Quality of Place

- Objective #1 Continue to plan, invest and encourage the revitalization and redevelopment of City Centre
- Objective #2 Provide engaging public spaces and places that are supported by a wide variety of programs and activities for residents and businesses
- Objective #3 Promote Spruce Grove as an event hosting destination that enhances the experience of our places and spaces

Goal 2 Focusing on Business Retention and Attraction

- Objective #4 Maintain a competitive business, fiscal and regulatory climate that projects a customer service mindset
- Objective #5 Pursue a targeted approach to investment attraction that prioritizes sectors and opportunities based on likelihood of success and highest return
- Objective #6 Broaden and build the local business base by investing in business development and support programs and services

Goal 3 Building Our Community and Business Infrastructure

- Objective #7 Invest in an integrated approach to providing the infrastructure, services and policy framework to support future growth of employment lands
- Objective #8 Ensure that Spruce Grove businesses have access to state-of-the-art broadband services at competitive rates which are increasingly essential to attract and retain high quality businesses and jobs

Goal 4 Ensuring an Adequate Supply of Market-Ready Employment Lands

- Objective #9 Undertake long-term planning to ensure that Spruce Grove will continue to have an adequate supply of land that accommodates future development such that it does not become a barrier to growth
- Objective #10 Work with developers and property owners toward achieving the highest and best use of employment lands to generate higher value assessment and job growth

Goal 5 Raising Our Community Profile

- Objective #11 Ensure there is convenient and up-to-date access to a range of information products on Spruce Grove available to investors, businesses, residents and visitors
- Objective #12 Partner with interested business and municipal stakeholders in the marketing of Spruce Grove as a place to live, visit, invest or run a business
- Objective #13 Collaborate as part of the Edmonton Metro Region in the development of a new approach to investment attraction, branding and promotion as a world class metropolitan area

From a technical perspective, this report is also supported by a range of appendices. Of particular note is Appendix A, which provides a preliminary background assessment of economic conditions in Spruce Grove. Appendix B outlines results of the community and business surveys.



Contents

- Introduction2**
 - 1.1 Objectives and Outcomes 4
 - 1.2 Aligning Our Economic Development Efforts..... 5
 - 1.3 Financial and Budget Implications..... 5
 - 1.4 Notes on Data 5

- Strategic Plan Process.....6**
 - 2.1 Situational Analysis..... 8
 - 2.2 Business and Community Consultation..... 11
 - 2.3 SOAR Assessment..... 12

- Determining the Priorities 14**
 - 3.1 Building on the 2010 Strategy 15
 - 3.2 Key Considerations..... 17
 - 3.3 Strategic Priorities..... 18

- Economic Development Strategy22**
 - 4.1 Vision Statement..... 23
 - 4.2 Strategic Action Plan..... 24

- Appendix A: Environmental Scan 37**

- Appendix B: Survey Results 51**



Introduction





Spruce Grove has been one of Alberta's fastest growing communities with an **average annual growth rate of 5.8%** over the last 5 years¹.

Located just 11 kilometres west of Edmonton, the City of Spruce Grove has a prominent location within the Edmonton Metropolitan region (Metro Edmonton) both as a gateway to the region and as a fully urban regional service centre for the western communities that includes Stony Plain, Parkland County and beyond. In recognition of its growing role and influence in the region, Spruce Grove has been designated as one of the Capital Region's priority growth areas.

The city also benefits from easy access to the Edmonton International Airport, as well as the CN and CP rail intermodal facilities and is well connected to major transportation and heavy haul routes including the Yellowhead TransCanada Highway, Highway 16A and Highway 43 which connects to the Mackenzie and Alaska Highways. The Acheson Industrial Area is located immediately east of Spruce Grove and represents one of the largest and fastest growing industrial parks in western Canada and a major source of local employment and business service opportunities.

In 2010, the City of Spruce Grove approved the ***Partnerships for Prosperity*** Economic Development Strategic Plan to provide direction to the City's economic and business development efforts. Intended as a 10 year strategy, it is being updated to ensure it reflects the current needs and aspirations of the community, as well as the changing economic fortunes of the region and the province. With a rapidly growing community, the impact of low oil prices spreading beyond the energy sector to the housing, retail and construction sectors and growing concerns that the economic downturn in the province is as much structural as it is cyclical, it is considered timely to conduct a review of the principles and objectives that underpin the strategic plan to ensure continued growth of the local economy.

¹ Spruce Grove Demographic Report 2017

1.1 Objectives and Outcomes

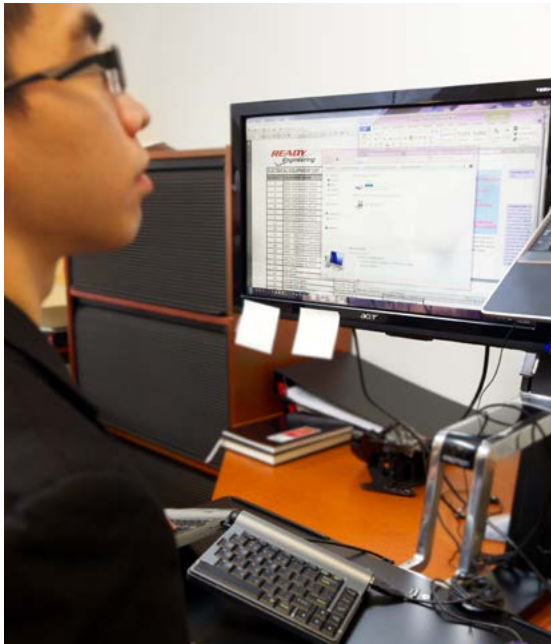
Spruce Grove recognizes the importance of being environmental stewards and places importance on the links and connections between the economy, the environment and society and how they can work together to achieve long-term prosperity and continued quality of life for present and future residents. This synergy creates a common vision for a future where quality of life is enhanced, the local economy grows and the community thrives. The City's 2016 Social Sustainability Plan makes clear that economic development plays a significant role in advancing the quality of life in the community whether through the securing of housing development opportunities, regular community and stakeholder engagement or supporting newcomers to the community intent on investing or starting a business in Spruce Grove.

The City's 2015-2035 Strategic Plan reinforces the vision of a strong economy and has as one of its three pillars, the goal of 'where people choose to grow a business'. This will be accomplished by fostering a strong and diversified regional business centre through an innovative and supportive business environment.

To this end, the 2010 Economic Development Strategy and the subsequent update to the Strategy and Action Plan are guided by the following outcomes from the City's Strategic Plan:

- Spruce Grove will become a sustainable, full service regional economic centre
- The local economy will have non-residential growth that outpaces residential growth

In direct reference to these outcomes, the 2010 Strategy acknowledged the need to grow the non-residential assessment base as essential to maintaining reasonable and competitive levels of taxation for both residential and non-residential ratepayers. An aspirational 'target' for achieving this was to move toward an 80/20 residential/non-residential split over the life of the strategy. At the midway point in the implementation of the 2010 Strategy, the City has seen the shift move from an 85.5/14.5 split in 2010 to an 82.6/17.4 in 2017. With the continued rapid rate of residential growth in the community, the City will need to be aggressive and creative in its efforts to attract non-residential development to the community if it is to achieve the 80/20 target by 2020.



1.2 Aligning Our Economic Development Efforts

By any measure, Spruce Grove has benefited from the rapid growth and prosperity that is evident across the Metro Edmonton region. Edmonton's presence as a major staging and logistical centre for oil and gas and other resource sectors in Northern Alberta has contributed to the substantial growth of employment in related manufacturing, trade, and construction sectors, as well as the growth of business, and professional, scientific, and technical service firms across the region. For communities like Spruce Grove, the resulting population growth has also led to considerable investment and expansion of the more population-based employment sectors of the economy (i.e. accommodations, hospitality, food services and entertainment), which has positive implications for the attraction of visitors and events to the community and the attraction of new residents based on a high quality of life experience.

Despite this success, Spruce Grove continues to face a number of challenges that if left unresolved could impede the community's long term economic growth potential. A vision for and the redevelopment of the City Centre that includes opportunities for higher density residential, office and commercial development and public spaces for community and cultural activities is essential to the city's place-making efforts and to achieving the City's long term growth commitments. A continuum of housing options that affords all spectrums of society the opportunity to live and prosper in the community is also required if the City is to be a complete community. Investment in broadband infrastructure is critical to supporting the growth of the city's business community and the attraction of higher value employment opportunities. The presence of the Acheson Industrial Area to the east of the City has implications for the City's investment attraction efforts, but also represents considerable supply chain opportunities if leveraged and promoted effectively. The lack of availability of high quality commercial properties, in particular highway commercial, as well as office and limited supply of industrial development opportunities could also undermine the competitiveness of Spruce Grove to attract future business and industry investment.

Each of these challenges will require a comprehensive and integrated approach that includes effective inter-departmental cooperation and collaboration between Planning and Infrastructure, Economic Development and Community and Protective Services as it relates to the implementation of the City's Corporate Strategic Plan, its Social Sustainability

Plan, Municipal Development Plan and Cultural Master Plan. Continuing leadership from the City of Spruce Grove on regional matters that will have a defining impact on the community over the long term is also essential. The City's Economic Development Advisory Committee will also have a role in the successful implementation of the Strategy. As a Standing Committee of Council, it will provide input and advice to both Council and Administration on how to proceed with the Action Plan in terms of priority setting and the feasibility of the actions proposed.

1.3 Financial and Budget Implications

The 2017 update to the Spruce Grove Economic Development Strategic Plan builds on the results of the 2010 Strategic Plan. It is intended as a high level plan focused on the growth and diversification of the local economy over the remaining 5 year period of the plan and extends the vision into 2025. It does not include specific financial cost estimates for individual projects or actions. Costing will be done through the development of annual business plans that articulates the resources required to move the plan forward, and as required be brought forward for City Council approval and incorporation into the City's Annual Corporate Plan.

It must be noted that while direct investments in economic development may create fiscal pressures for the City in the short term, it will be the foundation to the long term sustainability and resilience in the local economy.

1.4 Notes on Data

In completing this report, MDB Insight has made use of the 2017 Spruce Grove Municipal Census, as well as available 2016, 2011 and 2006 Census and National Household Survey information for City of Spruce Grove and the Province of Alberta, as well as 2015, 2016 and 2017 business counts data obtained from Statistics Canada. Additionally, business license data, industrial profile data, and the Capital Region Board were used to supplement and add to the current context.



Strategic Plan Process





The strategy development process began in June of 2016 with a review of background documents to establish the current policy and planning context for **updating the economic development strategy and related action plan.**

This included a review of the Spruce Grove Growth Study, the 2015 Municipal Development Plan, the 2015-2035 Strategic Plan, the Capital Region Board's Growing Forward & Growth Plan (draft), as well as other relevant municipal and regional plans, staff reports and economic development programming and initiatives underway in the region.

Spruce Grove's Economic Development Strategy and Action Plan Update has also been informed by a comprehensive analysis of the local and broader regional economy. Current and emerging business and industry sector trends have been reviewed together with relevant background studies and reports that have a direct impact on the city's current and future economic development activities.

The results of the background research were used to inform stakeholder consultation efforts which included one on one and group interviews, business and community surveys, and a public meeting. A SOAR assessment (strengths, opportunities, aspirations, results) was prepared that provides further indication of the City's value proposition for the attraction of business and residential investment.

It is important to note that the City's 2010-2020 Economic Development Strategy, **Partnership for Prosperity**, is on track to meet the targets set out in the plan. This report and related background work will be used to build a stronger understanding of the current context for growth and development of the community, the programming and initiatives that are supporting this growth, and the needs and aspirations of the community through the next 5 years. This information is critical for ensuring a successful and sustainable economic future for the city.

2.1 Situational Analysis

Strong Population and Employment Growth

Spruce Grove has experienced significant population growth over a short period of time. With a 2017 population of 34,881, Spruce Grove has more than doubled its population over the past 15 years. Since 2011, the city has experienced an annual growth rate of 5.8%,² a rate that is not sustainable over the coming decades. Capital Region Board (CRB) projections from the Capital Region Growth Plan, anticipate that Spruce Grove will see a population increase of between 17,960 – 35,960 residents by 2044 or an annual growth rate of between 2.2-4.0% (600-1200 new residents per year).³ The range of growth being proposed aligns with the anticipated projections in the Spruce Grove Growth Study. Despite the slowing growth, the City's proximity to a large population and employment base within the City of Edmonton; its quality of life and available amenities and assets; and the proximity to the local and regional employment opportunities associated with Spruce Grove's industrial areas and business parks, the Acheson industrial area, and other employment areas in Parkland County and Stony Plain make a premier location for both residents and business.

Spruce Grove has also benefited from strong employment growth over the past 15 years. Despite the economic difficulties experienced by Alberta from 2008-2011, the city has seen an increase in local employment of approximately 81% (4,673 local jobs) since 2001.⁴ In 2016, over 10,000 jobs were present in Spruce Grove. In the short term, EMSI Economic Modelling projects that that by 2024, Spruce Grove will provide an additional 900 jobs.⁵ This is in line with the anticipated employment growth scenario presented by the Capital Region Board.

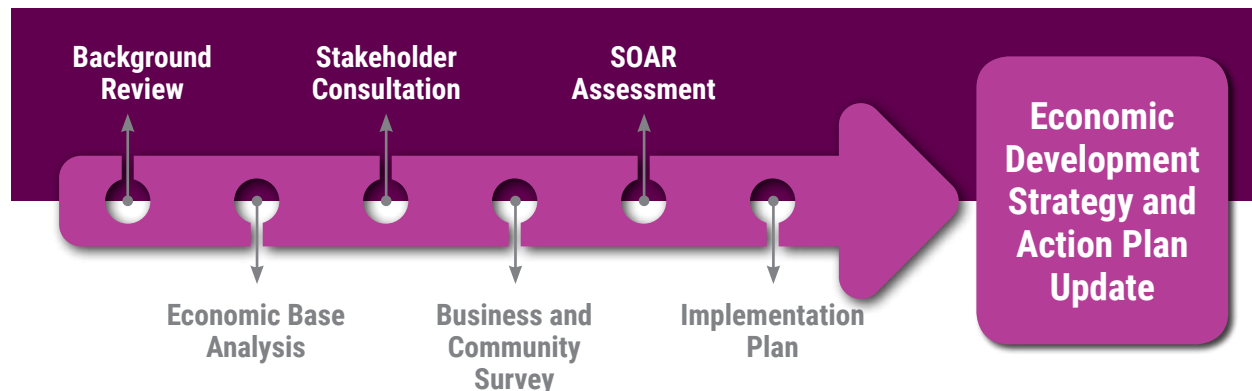
The latest Census data in 2016 reveals that Spruce Grove's total labour force had grown by 30% since 2011 to 19,070 individuals. This trend is expected to continue and reflects the fact that Spruce Grove continues to grow its position as a regional service centre with a trade catchment of 138,000 people.

Business and Industry Sector Performance

As of December 2017, Spruce Grove was home to over 1,700 businesses.⁷ When considering business patterns data, the city is overwhelmingly characterized by small businesses and enterprises employing less than ten employees. Approximately 58% of all businesses employ between one to nine employees. There are only seven businesses with 200 or more employees. Commensurate with the city's population growth, Spruce Grove has seen a steady increase in total number of businesses locating within the community.

The success of business growth in Spruce Grove can be attributed to the city's efforts to ensure the development of a diverse economy. Like most Albertan communities, Spruce Grove has enjoyed the success associated with the growth of the province's oil and gas sector and its related supply chain and capitalized on local trends associated with recent population growth. The city has experienced a significant growth in its construction industries, accommodation and food services, retail trade, arts, entertainment and recreation sectors. Additionally, manufacturing (particularly parts and supply activity) and professional, scientific and technical services have also experienced significant growth in part because of the demand for these products and services across Metro Edmonton and the broader economy.

FIGURE 1: STRATEGIC PLANNING PROCESS



² Spruce Grove Demographic Report 2017

³ Capital Region Board Population Projections, May 2015. Using 2016 Population as a base year.

⁴ EMSI Economic Modelling, 2016 Jobs Projection

⁵ EMSI Economic Modelling, 2016 Jobs Projection

⁶ Considering the potential developments in Spruce Grove such as Westwind, the employment growth numbers referenced here are conservative.

⁷ 2017 Business Licenses

Commercial and Industrial Land Considerations

With population and employment growth expected to continue, it is essential that the City provide for an adequate future supply of commercial and industrial land. According to the current growth study, the City's inventory of commercial lands is adequate to support growth for over 12 years (excluding the western commercial lands along the 16A corridor).⁸ With much of these lands in private ownership, the City has taken a proactive approach to facilitating the development of commercial investment in Spruce Grove. The WestWind Centre, located at Yellowhead Highway at Century Road, is a recent example of how the City has worked to maximize its commercial lands to support residential growth, job opportunities and recreational investment.

Spruce Grove's industrial lands face a similar challenge. While the current supply is considered sufficient for 20 years of industrial growth, nearly all of Spruce Grove's industrial lands are privately held. Serviced, investment ready industrial lots are essential if Spruce Grove is to remain competitive in its attraction of new industrial development. Location is also a factor, particularly with the encroachment of residential development from Stony Plain as it relates to the City's western most industrial area. Proximity to Acheson and ease of access to the province's transportation network is also a consideration for the movement of goods and people in Spruce Grove.

A Business First Approach

The current Economic Development Strategy mandates that the City maintain a competitive business, fiscal and regulatory climate and an open for business attitude and approach to business and industrial attraction. The strategy also directs the City to build a customer and service mindset in its regulatory approvals process. The City of Spruce Grove's Economic and Business Development Department has responded with specific analysis and action plans, a review of civic policy and process, and the development of promotion and marketing materials. The impact of this is seen in the increase in the number of new businesses locating in the community and an increase in the amount of industrial building space – from 1.87 million sq.ft. to 2.21 million sq.ft over the course of the Strategy. This had the effect of increasing the City's non-residential tax base from 14.5% in 2010 to 17.35% in 2017.⁹

The City also prides itself on its proactive approach to securing new investment for the community. A great example of this approach has been the attraction of the Northern Alberta Institute of Technology's (NAIT) Crane and Hoisting program and the Tri Leisure Village which is a destination sports village concept built around premier sports and recreation facilities.

“Having a post-secondary training facility of this calibre within our city has the potential to attract further industrial development and some of the province’s best workers.”

– Mayor Stuart Houston on NAIT's decision to select Spruce Grove



⁸ Spruce Grove Growth Study. http://www.sprucegrove.org/Assets/pdf/reports/growth_study_2016.pdf

⁹ Based on City of Spruce Grove growth trends 2010 - 2017 Municipal Affairs Property Tax & Assessment

Targeted Investment Attraction

Spruce Grove has attracted a diverse industrial base that includes agriculture and food processing, oilfield services and manufacturing, heavy construction, transportation, secondary wood products, and modular housing. There are currently six industrial parks that provide the City with over 1,728 acres of available industrial land, 728 acres which are currently developed and fully serviced.

The Acheson Industrial Area in Parkland County, just three kilometers east of Spruce Grove, is a major employment area with over 11,000 jobs – 20% of which are filled by Spruce Grove residents. This represents significant competition in the attraction of industrial development as well as an investment attraction opportunity for the City of Spruce Grove. The Industrial Area attracts the larger national and multi-national operations and these businesses in turn attract and support the development of the local supply chain for business products and services many of which may prefer to locate in Spruce Grove given the improved accessibility to local workers. With access to the Yellowhead TransCanada and Highway 16A, the City's industrial areas are well positioned to take advantage of intermodal routes such as CN and CP yards, the Edmonton International Airport and the Villeneuve Airport. The City's Industry Sector Targeting Study supports Spruce Grove's position to capture a larger share of the market for businesses needing a smaller footprint, particularly regional supply chain management opportunities.

“To have two levels of government here today along with NAIT and our company is a testament to the impact this facility will have on the community and the region at large.”

– **Brian Baker,**
Melcor President and CEO
on NAIT's opening

Given the relative strength of the local economy and the prospects for growth at the regional and provincial level, targeted investment attraction is essential for Spruce Grove. While the energy sector is expected to remain a key driver of the regional economy, the City has been encouraging the attraction of other sectors (and their respective supply chains). Current initiatives to develop office space and improve broadband infrastructure signal the City's intent to attract a diversity of businesses and industries such as computer software and design services, medical, engineering and financial services and construction operation management activities.



Metro Edmonton Economic Development

In recent months an advisory panel of experts has reviewed available literature and listened to those with experience in municipal governance in order to address the need for a regional systems approach to growth and development across Metro Edmonton. The advice to the Mayors of each community surrounding Edmonton was simple; a globally competitive Edmonton Metro Region is achievable, but it will require municipalities planning, delivering and acting as one Metro Region in certain key areas.¹⁰

While Metro Edmonton municipalities have become skilled at discussing issues and undertaking planning as a region, the challenge remains in translating those discussions and plans into collaborative actions with on-the-ground results.

If municipalities do not change their current trajectory, the model proposed by the Advisory Panel shows as much as 87,700 additional hectares of agricultural land and 50,200 hectares of natural areas could be lost to uncoordinated development over the next 50 years.¹¹ Taxpayers across the region could be on the hook for an additional \$8.2 billion to service that larger footprint with roads and other public infrastructure.¹²

¹⁰ Report of the Advisory Panel on Metro Edmonton's Future, May 2016

¹¹ Report of the Advisory Panel on Metro Edmonton's Future, May 2016

¹² Report of the Advisory Panel on Metro Edmonton's Future, May 2016



The Advisory Panel came to the conclusion that the region would benefit from a coordinated economic development program. Regional economic development, when done effectively, draws new businesses and builds industrial clusters that contribute to a region's economic diversity and resilience. It also helps develop human capital, attracting and retaining the skilled talent needed to support a wide array of industries and, in turn, enhance the region's high quality of life. Across Canada and the United States, jurisdictions have pursued regional collaboration on economic development to build their labour markets, expand their markets for goods and services and improve the exchange of knowledge and ideas in their economies.

Edmonton Global was established in June 2017 as a regional economic development corporation responsible for marketing the Metro Region across the country and around the world. The City of Spruce Grove is one of the 15 municipal shareholders in the corporation and has been a strong advocate for a regional approach to marketing and investment attraction. The City works with Edmonton Global as part of our investment and talent attraction efforts.

2.2 Business and Community Consultation

To gain community input and secure support for the City's economic development agenda, a consultation program with local residents, community stakeholders, and the business community was conducted. One on one interviews and small group discussions were conducted through the summer of 2016. This included business leaders, key community and regional stakeholders, economic development partners and elected officials and senior staff from the City of Spruce Grove. In addition, a community wide survey was distributed that provided residents with an opportunity to share their opinions and aspirations for the City. A telephone based business survey was completed by Forum Research that solicited input from 150 local businesses on the city's business climate and opportunities for economic growth. In total more than 400 businesses and community members provided input through the consultation process. The DRAFT Strategy was made available on the project website for the purpose of sharing the results of the strategic planning process and to provide a final opportunity for public feedback.

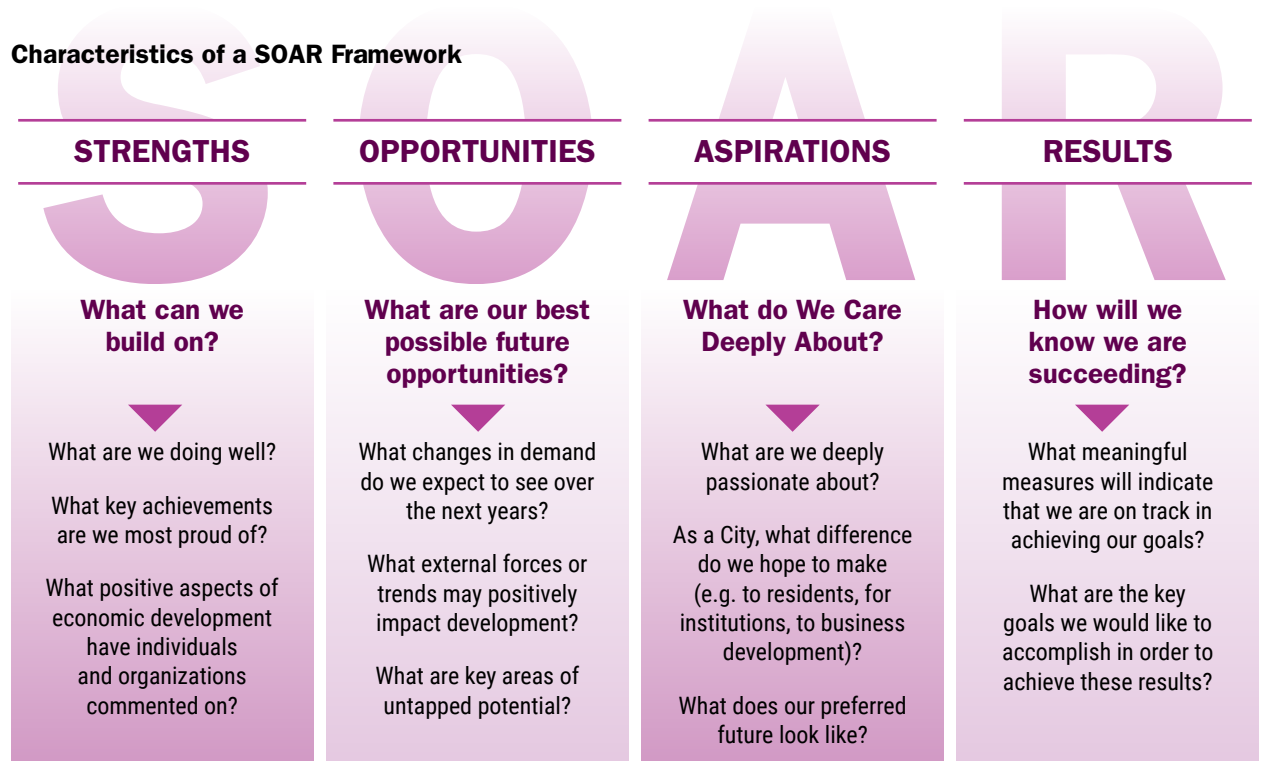
A detailed summary of the Situational Analysis and Business and Community Consultation can be found in Appendix A and B.

Key priorities that emerged from the consultation process include:

- The need for programming to support business development and expansion efforts including more programming geared to small businesses and entrepreneurs. This includes the promotion of training and workforce development opportunities.
- The need to provide business grade high-speed (fibre) internet infrastructure to the city’s employment nodes. The city is at risk of losing commercial business that require broadband, while industrial operations are going to great expense to install broadband themselves.
- The need to support City Centre revitalization efforts as a vital component of future economic growth and identity for the community. This includes investment in the public realm, business incentives, as well as a compelling vision and plan for the core.
- The need to maintain a family-first atmosphere in the city through the provision of amenities, activities, attractions and job opportunities that cater to this demographic. This includes pursuit of commercial and industrial growth as a priority to support future residential growth, as well as the development of additional recreation, leisure, and sport facilities for both residents and visitors to the city.
- The need to advocate for and support the development of a range of housing options that caters to the needs of all residents. This includes additional higher density housing in proximity to the City Centre, townhome development and seniors housing.
- The need to improve the City’s marketing and promotion efforts to create a stronger narrative for business attraction. This includes a professional website with an increase in core content that can be updated and managed internally, as well as improved functionality for visitors. Marketing and promotion efforts should dovetail with the marketing function for Metro Edmonton.

2.3 SOAR Assessment

The SOAR (Strengths, Opportunities, Aspirations, and Results) analysis reflects on the information and insight that has been gathered and provides further indication of Spruce Grove’s ability and capacity to support the attraction, retention and expansion of economic investment.



- The city's location as the western gateway to the Metro Edmonton area makes it attractive to business and residents
- Spruce Grove is a regional service centre for Metro Edmonton's western communities including Stony Plain and Parkland County providing for the commercial and personal needs of area residents
- Spruce Grove is one of Canada's fastest growing municipalities due to its high quality of life and regional employment opportunities
- The city is comprised of a diverse range of businesses and service industries
- Spruce Grove is characterized by young families with 40% of its population between 20-44 years
- The city offers a large inventory of available commercial and industrial land
- The Cultural Plan has placed an emphasis on investing in programs and activities that animate public spaces and facilities.
- The city offers a diverse range of housing options including semi-detached, row houses and condo-style development.

- The NAIT campus should be leveraged to attract future business investment and encouraged to expand their program offerings in the near to mid-term
- The WestWind Centre development should be promoted as a major employment and amenities node for the City
- A strong network of public and private sector partners has emerged to support the vision and development of the City Centre. This includes the Chamber of Commerce, the City Centre Business Improvement Association and local development community
- Council is supportive of economic development both locally and regionally and is prepared to actively champion the aspirations for the City
- The city's investment in health, education, housing and recreation services provides a strong value proposition for the attraction of business investment and future residents.



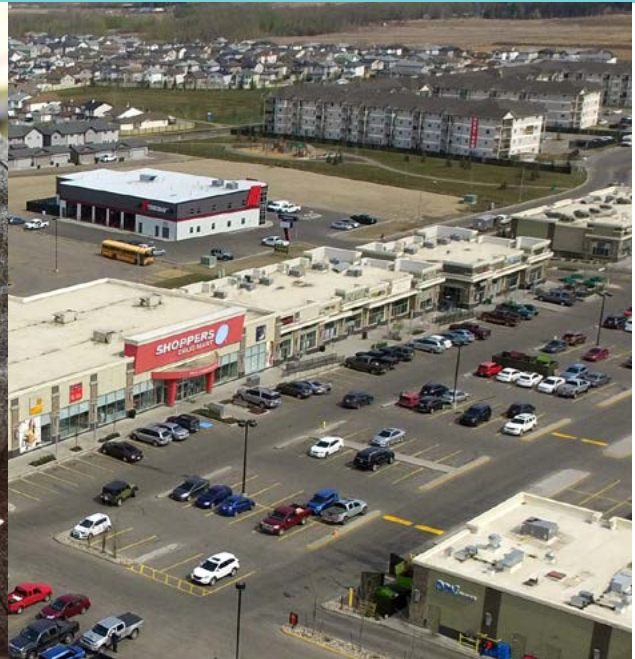
- Achieve a favourable residential / non-residential assessment split – 80/20
- Improved broadband infrastructure for both businesses and residents
- A vibrant and accessible City Centre
- A defined community identity reflective of Spruce Grove's business and resident base
- Effective regional collaboration across Metro Edmonton
- Attraction of a broad range of businesses and industries to ensure the sustainability of economic growth

- More affordable housing and accommodations that satisfies the needs of a young and growing population
- Stronger transit connections to the City Centre, shopping and employment areas
- Spectator seating and recreation facilities to support events and sports tourism opportunities

- Diversity of local employment
- Higher quality jobs and increases in income levels
- Broadband infrastructure is available across Spruce Grove
- Enhanced selection of housing stock (affordable housing, senior housing)
- Increased cultural and quality of place amenities across the city
- A revitalized City Centre
- A Sustainable residential / non-residential assessment split
- Selection of incentives and support programs available for businesses



Determining the Priorities





3.1 Building on the 2010 Strategy

In updating the 2010 Partnerships for Prosperity Economic Development Strategy consideration has been given to the successfulness of the implementation efforts over the last five years.

Economic development in Spruce Grove is a highly integrated effort touching on all aspects of community development from marketing to city centre revitalization, to ensuring a continuum of housing and the provision of necessary infrastructure to support the growth of the business community. The discussion that follows highlights the more significant elements of the city's economic development agenda.

Major Successes

The Economic and Business Development Department's greatest economic development success has been its ability to influence and actively create opportunities to build out major economic generators for the City. The plans to develop the Westwind Lands is an example where development interests have converged with the City's need to preserve and provide gateway commercial and office development options for the City on the Yellowhead Highway. Other examples of the Department's activist role includes the attraction of a NAIT campus, the Tri-Leisure Village, the major RV campground and the renewed priority for City Centre revitalization and redevelopment of Highway 16A lands.

The Economic and Business Development team also places priority in developing strong relationships with business and the development community. This has included promotion partnerships such as 'Sweet Life in Spruce Grove' for residential development, condominium development, multi family, seniors housing and affordable rental housing. On the industrial and commercial attraction side, an Industry Sector Targeting Study, completed in 2013, followed by an Industrial Profile Summary and a Retail and Office Market Analysis assisted in introducing partnerships and alliances to effectively influence how development is shaped in Spruce Grove.

Spruce Grove has also taken steps to simplify its local planning tools in an effort to attract new investment to the community. Changes to the City's Land Use Bylaw in 2012 have provided more permissive zoning in the City's industrial parks and has facilitated the attraction of new businesses to the community.

The 2010 strategy also advocated for a stronger regional economic development agenda. Spruce Grove has been a key participant in discussions relating to a regional systems approach to economic development, public transit and land use and infrastructure. The recent formation of the Metro Mayors Alliance has been a positive step towards the establishment of a regional economic development entity.

Current Economic Development Efforts

Spruce Grove continues to invest in its community marketing materials as evidenced by the 2014 Here We Grow marketing campaign and its investment in its recently launched Economic Development Website. The Here We Grow materials were designed to champion the City's ability to attract residential, commercial and industrial investment. An update to the economic development website has provided further support for these efforts. The Economic Development Website is enabled with GIS mapping and site locator features to support its site selection material.

City Centre revitalization continues to be a major economic development priority in Spruce Grove. In 2014, Council commissioned a visioning paper that reported on the state of the City Centre. The report identified the lack of identity associated with the City Centre and highlighted the underutilized properties located throughout the core. It suggested that the core was not inviting in terms of its current streetscapes, nor did it provide the range of amenities or activities that would attract visitors or residents. The lack of incentives, current parking requirements and the high cost of land in the City Centre were considered barriers to private sector development.

The City of Spruce Grove and the City Centre Business Association are jointly involved in the creation of an area redevelopment plan for Spruce Grove's City Centre. It is expected that this plan will be complete in late 2018 or early 2019. The revitalization of the City Centre and the potential role of culture in advancing this important community effort figures prominently in the City's new Cultural Master Plan, so much so that it was one of the Plan's strategic pillars. The Plan supports the programming of the core with cultural activities and events that would attract resident and visitors to the area. The Taste of Spruce Grove event in the summer of 2016 as well as the series of public outdoor markets is proof of the demand for this type of programming.

The City's Social Sustainability Plan focuses on the linkages and inter-dependencies between the economy, the environment and society. The Plan helps to align and integrate the City's social policy and strategy with the City's economic development agenda. This includes support for transit service across the City and into Acheson and Edmonton and advocating for investment in exceptional, diverse and high quality recreation and sport opportunities for all incomes. Economic Development's ongoing efforts to secure investment in the Tri Leisure Village, the City's Regional Event Hosting Study and recent feasibility studies associated with a multi-use sports and entertainment centre (WestWind Centre) demonstrates the departments role and commitment to improving Spruce Grove's quality of place experience.



3.2 Key Considerations

Growing Our Non-Residential Assessment Base

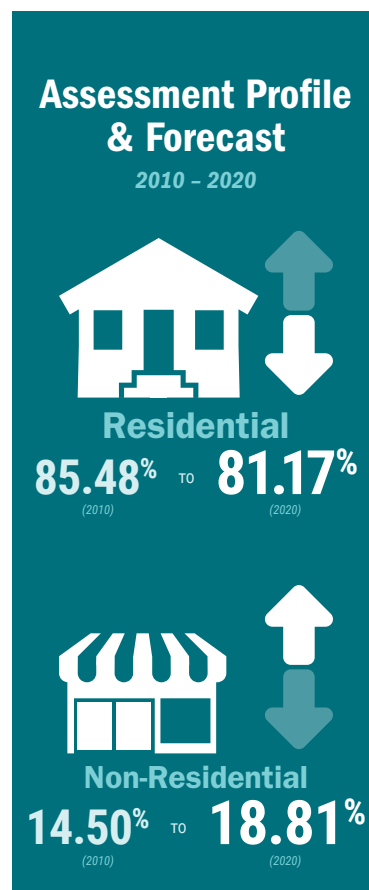
The City's strong economic performance is proof of its competitive business, fiscal and regulatory environment. Historically, competitive pricing for serviced industrial and commercial land has been a major advantage in the attraction of commercial and industrial land development and this in turn has driven assessment growth. Since 2010, the City has attracted the new campus for the Northern Alberta Institute of Technology (NAIT), seen the redevelopment of lands along Highway 16A, enabled the planned development of the Westwind commercial lands along Yellowhead and created new industrial parks. The 2010 Strategy placed considerable emphasis on improving the City's regulatory framework and processes for business and investment development in order to achieve a target of 80/20 in its residential to non-residential assessment ratio.

While economic development has been aggressive in its efforts to develop and market the community's commercial and industrial inventory, the challenge remains to balance this form of development with the continuing demand for residential development. With the decreasing supply of high quality highway commercial and industrial lands the challenge will be to identify higher density office style development opportunities that requires less land to build and drive more significant levels of tax assessment and job growth than greenfield development. In examining the City's available inventory and new zoning permissions, the focus for Spruce Grove should be in attracting the form of office development that supports the growth of the region's industrial supply chains and small business entrepreneurs. This includes office uses such as knowledge economy services, field office support for oil and gas, or corporate office and back office functions for professional, engineering, environmental and technical service firms.

As part of this effort, the City must continue to renew its commitment to reviewing and updating its regulatory functions to remain supportive and responsive to new business investment opportunities. Consideration of office incentives, supporting higher density mixed-used developments in the City Centre, and embracing employment density targets will help the City achieve its non-residential target over the life of the economic development strategy. The City's best course of action will be to build on incremental progress that has been made since 2010 through 2020, at which time an evaluation of extending the 80/20 target can be made.

Expanding Employment Opportunities Closer to Home

With the continued growth and expansion of the local economy, Spruce Grove is no longer the bedroom community to Edmonton that it once was. Opportunities to expand the City's commercial and industrial base continue to present themselves in large part because of the availability of a skilled local workforce. The City's quality of place amenities is also a significant factor in the attraction of new residents to the community. As in 2010 however, local residents continue to cite the desire to work closer to home rather than commute to employment in Edmonton and elsewhere in the Region but lacked the opportunities to do so. This means that in addition to job growth generally, the City also needs to target growth in professional and technical service jobs typically associated with corporate offices and business services.



Year	Residential %	Non-Residential %
2020	81.17%	18.81%
2019	81.67%	18.31%
2018	82.15%	17.83%
2017	82.63%	17.35%
2016	83.09%	16.89%
2015	83.55%	16.43%
2014	84.14%	15.83%
2013	84.96%	15.02%
2012	85.27%	14.71%
2011	85.37%	14.61%
2010	85.48%	14.50%

Alberta Municipal Affairs, 2016 Assessment Profiles for 2010-2016 data; forecast for 2017-2020 based on trend analysis by Spruce Grove Economic and Business Development

3.3 Strategic Priorities

While the vision and goals of the Partnerships for Prosperity Economic Development Strategy 2010-2020 remain sound, a number of factors have emerged during the updating of the Plan that have a direct bearing on the City’s economic development agenda.

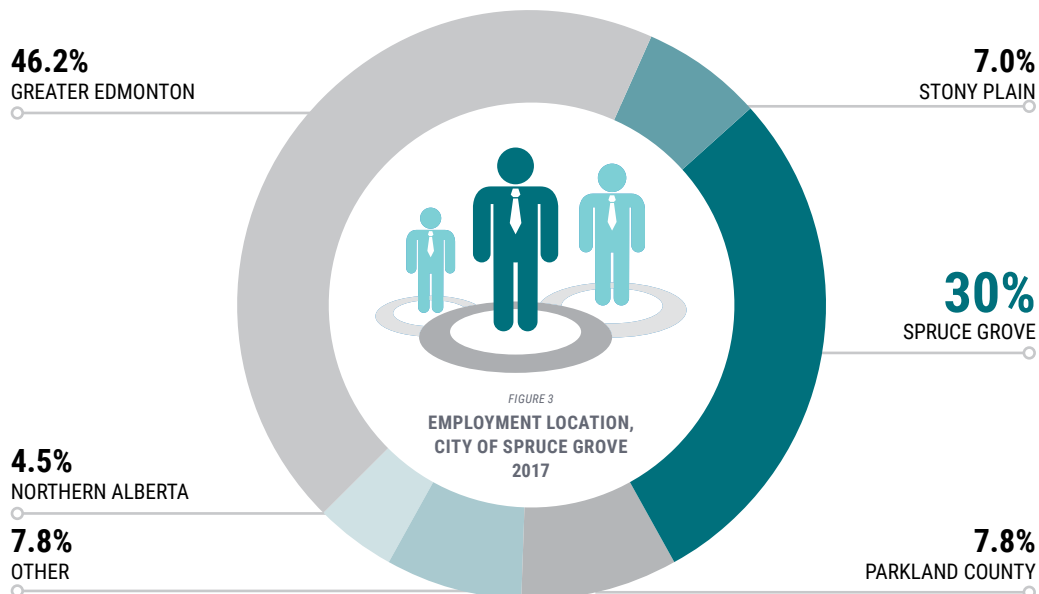
Enhancing the City’s Quality of Place Experience

North America’s economy is changing. Traditional areas of the economy are being replaced with new activities that value proximity to intellectual capital rather than proximity to natural resources. Quality of place is increasingly being recognized as an important factor in the economic performance of metropolitan regions as well as smaller communities. There is a diverse range of components that contribute to quality of place. It can be influenced by natural heritage features (lakes, rivers, open spaces), cultural amenities (historic buildings, festivals, events, libraries, religious centres, entertainment), efficient transportation networks, affordable housing opportunities, accessible healthcare and education, and openness to newcomers.

New theories in economic development suggest that if a place is vibrant and diverse, it will attract a concentration of highly skilled individuals, who in turn have the ability to generate new

employment and wealth through entrepreneurial ventures or the attraction of businesses that can utilize their talents. It is clear that Spruce Grove is attracting new residents and a significant number of those individuals are well educated and engaged in highly-skilled occupations, but even with small business support programs, not all of these individuals will be creating their own jobs or starting business. As such it is important that the City continues to improve its quality of place, vibrancy and aesthetic appeal.

Businesses in the immediate area of the City Centre understand the importance of quality of place and the successful City Centre revitalization including the ability to attract residents and new business investment to the area. At the request of local businesses, the City approved in August 2016 the establishment of a City Centre Business Improvement Area aimed to promote, stimulate and reinvigorate Spruce Grove’s City Centre as the civic, cultural and social heart of the community through design, programming and uniting of public and private sector businesses and activities. Examples of quality of place programs can be seen in the City of St. Albert and Stony Plain. The City of St. Albert recently introduced a beautification program for its City Centre that has encouraged businesses to beautify their premises by adding flowers, trees, outdoor furnishings, façade improvements and public art. The Town of Stony Plain has preserved the look and feel of its historic city centre using a façade improvement program. Both outcomes translated to an increased flow of visitors and revitalized shopping and entertainment district.



Enhancement to the City's quality of place extends beyond the city centre limit. The Cultural Master Plan and the Regional Event Hosting Strategy both explore the role that event/multi-purpose facilities or spaces play in supporting quality of place. These assets support the creation of a 'destination' where accommodation, attractions, transport and ancillary services are used or specifically developed to enhance the tourism potential and attract residents to the community. Spruce Grove's current stock of event/multi-purpose spaces lacks the ability to provide effective year-round programming and event hosting capabilities. Aging infrastructure and limited budgets also make it difficult for existing facilities and spaces to accommodate Spruce Grove's population growth, let alone event hosting expectations. The Social Sustainability Plan also weighs in on the importance of providing programming opportunities in support of the social health and wellness of residents.

Focusing on Business Retention and Attraction

As a regional service centre and a hub for western communities in the Edmonton Metro region, Spruce Grove has seen tremendous growth in its food and retail industries. This includes the Century Crossing retail centre, Westland Market Mall, Westgrove Plaza, Sunrise Town Centre, Tri Leisure Village and other commercial properties. However, the challenge with this type of growth is the lower wages that it typically offers.

The City's Retail and Office Market Analysis work highlighted the importance of attracting and building new office development to support the City's existing small business base.

Small businesses play a significant role in supporting and sustaining the diversity of the business base including providing higher value employment opportunities. Small businesses are often touted as delivery agents of some of the most positive economic impacts a community can experience. They are extremely nimble, have the ability to scale up and scale down employees and production to match the boom and bust cycles of the economy and are capable of reaching a national and international market. Despite the high number of small businesses in Spruce Grove, many are concerned that the City has provided only limited support for their operations. While broadband infrastructure was the greatest concern, small businesses have reported that they are struggling with workforce development, marketing and promotion and financing.

It is important for the City to maintain a supportive small business climate by looking at ways to streamline regulation and approval processes, provide information and other services important for small business success and provide programs (such as support for training, knowledge sharing and accelerator activities) to small businesses that assist them in transitioning from home-base operations to storefronts and offices.

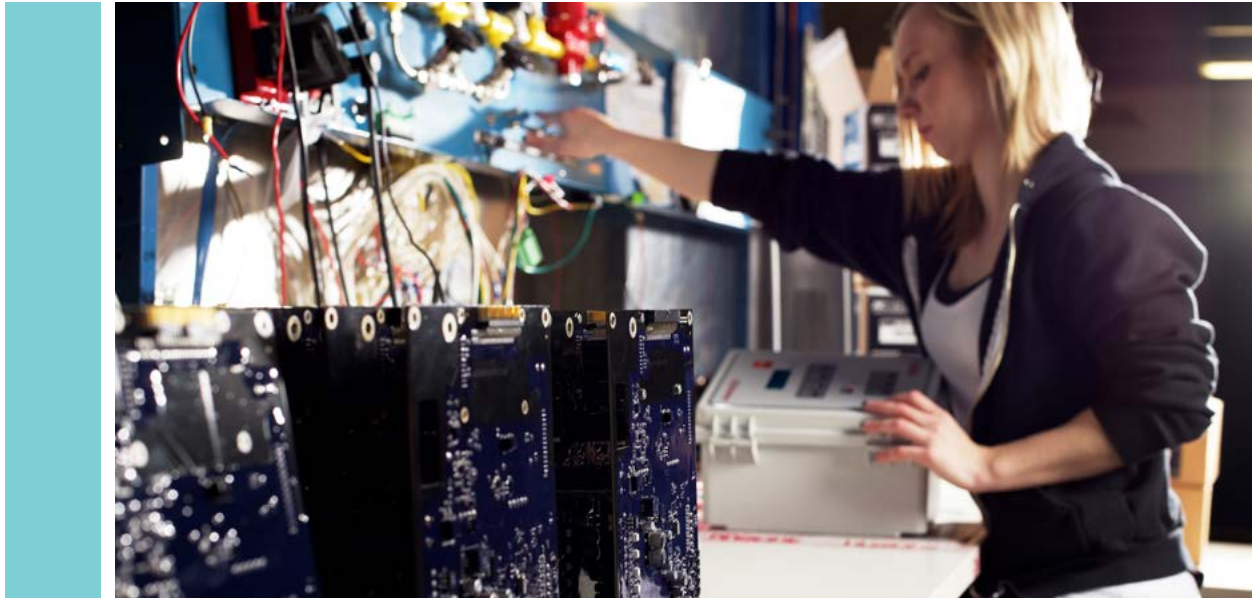
“Over 65% of all survey respondents felt that City Centre revitalization was either the first or second priority to obtaining sustainable economic growth.”

Respondent Priorities for Long Term Economic Growth



- Expand the commercial and industrial base
- Support existing small businesses
- Introduce new attractions and amenities
- Maintain the family focused atmosphere in the city





Invest in Community and Business Infrastructure

A local economic development strategy represents only a first step to securing the community and business infrastructure necessary for sustainable growth. Once a community has identified its strategic focus and targeted industries, it needs an integrated approach to providing the municipal infrastructure, services, and policy framework to support future growth and expansion. Given the range of issues that this will involve, consideration must include internal and external stakeholders. As is often the case, a community may not have a good sense of its investment readiness until opportunities present themselves. By that time, it may be too late to create the necessary conditions to support the proposed project. The focus should be to identify and build out key infrastructure to be ahead of the curve.

A key consideration that emerged from the consultation work was the quality and availability of the City's broadband infrastructure. While the needs of local businesses will vary, there is growing evidence to suggest that the lack of coverage and quality of the City's broadband infrastructure may be contributing to loss of existing businesses and deterring others from locating or expanding in Spruce Grove. Given the level of technology integration that exists across the City's target sectors it is essential that Spruce Grove view the provision of broadband as it would any utility – readily available and competitively priced.

Additionally, transportation system improvements which support the movement of people and goods would also increase the City's regional competitiveness. This includes investment in public transit and in the movement of people

between regional employment zones (rideshares into Acheson Industrial Area). If the City is to also leverage the opportunities associated with the full development of its commercial and industrial lands, further investment in municipal infrastructure will be required. This includes the extension of the Boundary Road sanitary sewer trunk line to service lands in western Spruce Grove as well as the necessary infrastructure to allow for the timely redevelopment of the City Centre lands including mixed use office development.

Spruce Grove is also facing demands for community services infrastructure. The City's largest event facility is approaching its 40th year of operation and has limited capacity to host larger scale events associated with the growing tourism sector. If the City is to be successful in the attraction of larger scale events and conferences a new event hosting facility will be required.

Coordination between area municipalities and Metro Edmonton is also relevant as it relates to providing many of these core municipal services. Metro Edmonton municipalities have already demonstrated an ability to work together on land use planning matters. The Metro Mayors' Alliance is committed to building on these efforts and supports the development of major regional infrastructure. This would include efforts surrounding core public transit access (which Spruce Grove is improving) and potential regional cost sharing investments (policing, fire services).

Sustain an Adequate Supply of Market-Ready Employment Lands

A key consideration for sustaining Spruce Grove's growth over the long term will be the quality and quantity of the City's employment land supply. With much of the inventory in private hands the City cannot control the pricing or timing to market these properties. Nor can it ensure the readiness of the lands for investment - e.g. servicing, utilities, lot size or access. For this reason the City needs to articulate a clear plan for providing a long term employment land supply that addresses the community's demand for retail, office and industrial development opportunities. This should include the redevelopment of the Highway 16A corridor, the build out of the Westwind Centre and the revitalization of the City Centre, as well as the planned build out of the NAIT Campus.

This issue is particularly relevant as it relates to the City's industrial/commercial land supply. The shortage of Highway commercial lands has already resulted in lost investment and given the encroachment of residential uses that is emerging near the City's western boundary south of Highway 16A is an issue that will continue. The Municipal Development Plan and the Edmonton Metropolitan Region Growth Plan policies are intended to ensure that Spruce Grove's employment lands provide for sufficient and appropriate capacity to meet local and regional demands, including the identification of sites for industrial and office development. While current plans suggest that Spruce Grove's industrial and commercial lands have a build out of approximately 20 years, it is essential that Spruce Grove monitor demands of its current market place and anticipate infrastructure investments that would be required in 5, 10, 15 years.

Additionally, with the planned expansion of the Acheson Industrial Area, it is important to rethink how to work together with Parkland County, to support the growth of the region's employment lands. In particular, interest has emerged around the potential for establishing a major economic development zone on the western side of Metro Edmonton. The zone would be similar to the successful models that are in place in adjacent regions such as Leduc-Nisku (i.e. Leduc-Nisku Economic Development Authority) and Strathcona-Sturgeon-Fort Saskatchewan (Industrial Heartland). The establishment of a zone can assist Spruce Grove in better planning the supply of employment lands and create stronger marketing materials.

Raising our Community's Profile

There is a growing trend towards the branding of a community's economic development effort to effectively market the City to business, industry or future residents/employees. With Spruce Grove's current branding materials approaching its fourth year anniversary, there is a need to refresh the strategy with a more current and pro-active marketing campaign and community brand, including an arms-length economic development website. This marketing campaign and brand should centre on supporting the City's investment attraction efforts and promoting local successes, while taking into consideration the branding, and messaging that will emerge for Metro Edmonton. Spruce Grove is already regarded across the Metro Edmonton region as a good place to live, but its positioning as a good place to bring your business can be improved.

The Metro Mayors' Alliance is supportive of the creation of a metropolitan level marketing entity. The entity would be responsible for the external marketing of the region to national and international markets across all platforms (website, social media, and print). This regional entity would work with economic development organizations at the municipal level to ensure a mutual flow of information on investment opportunities and market readiness.

A key element of a marketing strategy update is the quality of a community's website. While Spruce Grove's Economic and Business Development website's content is generally up-to-date and reflects its current economic development efforts, a landing page must be positioned as a key information and communications tool for the City's investment attraction and promotional efforts. It should be professional in look, written content, quality of imagery and the use of tools and functions and designed in a way that motivates a user to visit or contact Spruce Grove. For this reason consideration should be given to the creation of a landing page for economic development (or a standalone website) that can be appropriately branded and managed by Economic and Business Development to ensure the most relevant data and current and compelling local stories are available to potential investors.





Economic Development Strategy





4.1 Vision Statement

Vision statements present an image of future success, based on what is attainable in reality – it should also be built on the strengths, opportunities and capacity of a community. The City's Corporate Strategic Plan establishes the following vision for the City of Spruce Grove:

“Spruce Grove is the best place to live, to raise an active healthy family and to grow a strong successful business.”

Building on this vision the 2010 Spruce Grove Economic Strategic Plan established an economic vision for the community:

THEN...

“Spruce Grove has a growing and diversified economy – together with an attractive business climate that supports entrepreneurship, business retention and growth, and new business attraction.

Spruce Grove is a sustainable community, with a strong commitment to environmentally-sound economic development and long term fiscal sustainability. This enables the City to maintain the quality of services, programs and infrastructure that residents have come to expect.

The quality of life that Spruce Grove offers its citizens is ultimately what makes the City a recognized community of choice for residents, business and new investment.”¹³

Reflecting on this vision and the input received throughout the update to the strategic plan, the vision statement has been refined to inform the implementation of the Economic Development Strategic Plan through 2020.

“Spruce Grove has a growing and diversified economy – together with an attractive business climate that supports entrepreneurship, business retention and growth, and new business attraction.

Spruce Grove is forward thinking in its approach to economic development, reflecting both the needs of our citizens and our business community and a desire for a sustainable approach to growth and development.

... NOW

The quality of life that Spruce Grove offers its citizens distinguishes us a community of choice for residents, business and new investment.”

13 Partnerships for Prosperity, Spruce Grove Economic Development Strategic Plan, 2010

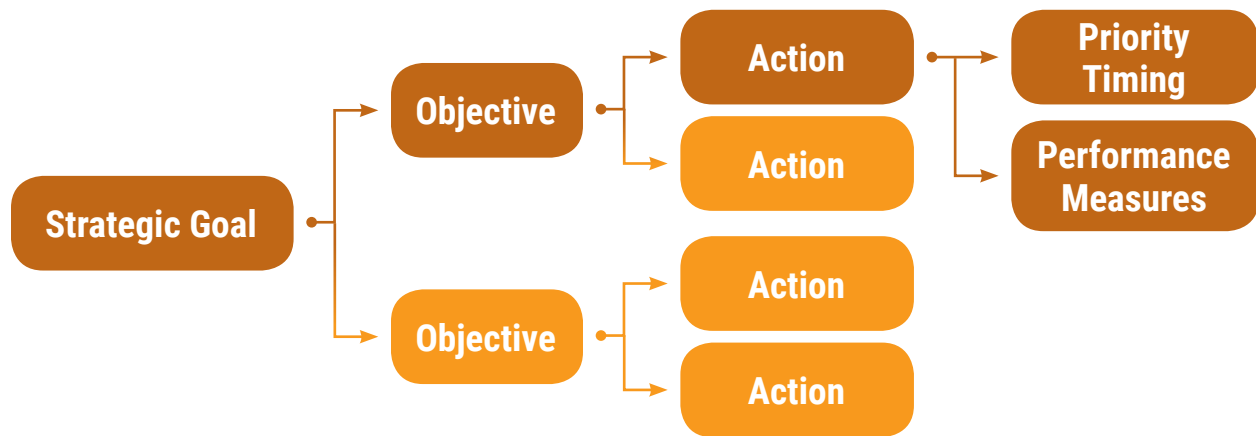

4.2 Strategic Action Plan

Goals, Objectives, Actions Defined

The City of Spruce Grove Economic Development Strategy and Action Plan Update is underpinned by five high level goals, intended to anchor and qualify all strategic initiatives or ensuing actions on the part of the City over the next five years. The goals support the City’s overarching vision for the community as well as the desired outcomes of the economic development planning process.

It should be noted that the list of actions is a prioritized starting point based on community input and research at a point in time. It is by no means an exhaustive or comprehensive list of all the potential actions for the City of Spruce Grove. New actions will emerge and will need to be assessed against the goals and objectives for the plan.

For the purposes of the Spruce Grove Economic Development Strategy and Action Plan Update the GOALS, OBJECTIVES and ACTIONS contained in the Plan are presented in the following structure:

STRATEGIC GOALS: The vision and desired outcomes that emerged from the strategic planning process and a view of the aspirations of the City’s citizens and community stakeholders.

OBJECTIVES: How these goals are to be achieved and what must be accomplished in the next five to ten years.

ACTIONS: The direction the City and its stakeholders will undertake to combat the essential issues or opportunities that must be addressed over the length of the plan.

PRIORITY TIMING: The timeframe for implementing the Action. Priority timings are either a Short-term (S, build out to 2022), Long-term (L, build out to 2026), or Continuous (C) over the timeframe of the Strategy.

PERFORMANCE MEASURES: The key benchmarks that will demonstrate successful results from implementing the Action.

Strategic Goals

Ensure there is convenient and up-to-date access to a range of information products on Spruce Grove available to investors, businesses, residents and visitors.

Partner with interested business and municipal stakeholders in the marketing of Spruce Grove as a place to live, visit, invest or run a business.

Collaborate as part of the Edmonton Metro Region in the development of a new approach to investment attraction, branding and promotion as a world class metropolitan area.

Continue to plan, invest and encourage the revitalization and redevelopment of City Centre.

Provide engaging public spaces and places that are supported by a wide variety of programs and activities for residents and businesses.

Promote Spruce Grove as an event hosting destination that enhances the experience of our places and spaces.

Maintain a competitive business, fiscal and regulatory climate that projects a customer service mindset.

Pursue a targeted approach to investment attraction that prioritizes sectors and opportunities based on likelihood of success and highest return.

Broaden and build the local business base by investing in business development and support programs and services.



Undertake long-term planning to ensure that Spruce Grove will continue to have an adequate supply of land that accommodates future development such that it does not become a barrier to growth.

Work with developers and property owners toward achieving the highest and best use of employment lands to generate higher value assessment and job growth.

Ensure that Spruce Grove businesses have access to state-of-the-art broadband services at competitive rates which are increasingly essential to attract and retain high quality businesses and jobs.

Invest in an integrated approach to providing the infrastructure, services and policy framework to support future growth of employment lands.

Strategic Goal #1



OBJECTIVE 1

Continue to plan, invest and encourage the revitalization and redevelopment of City Centre.

Action 1 Undertake the preparation of an Area Redevelopment Plan for the City Centre and incorporate recommendations into the Municipal Development Plan, Land Use Bylaw and Corporate Plan.



Action 2 Continue to refine the visioning process for the City Centre and use the results to craft a value proposition for attracting business investment.



Action 3 Support the work of the City Centre Business Association in the delivery of programs and events, branding and promotion of City Centre redevelopment efforts.



Action 4 Support implementation of the Spruce Grove Cultural Master Plan by examining opportunities for growth in cultural and creative industries as part of efforts to attract new investment into the City Centre.



Action 5 Examine strategies for incentivizing reinvestment in the City Centre including, but not limited to, strategic land acquisition by the City, Community Revitalization Levy or other TIF-funding approach, and potential grants.



= Priority Timing

OBJECTIVE 2

Provide engaging public spaces and places that are supported by a wide variety of programs and activities for residents and businesses.

Action 6 Support implementation of the Cultural Master Plan in introducing cultural resources and activities across the city.



Action 7 Continue to support the planning and build-out of leisure and recreational facilities, and other community amenities which provide a quality of life that attracts new businesses and residents.



Action 8 Encourage the revitalization of the City Centre as a community gathering spot and a destination for unique retail, office, restaurant and entertainment opportunities.



Action 9 Support the continued build-out of an integrated transit model both within the metro region and internal within Spruce Grove.



Action 10 Promote opportunities to attract additional medical facilities, child care services, affordable housing and aging in place accommodation options to Spruce Grove.



OBJECTIVE 3

Promote Spruce Grove as an event hosting destination that enhances the experience of our places and spaces.

Action 11 Consider the feasibility for development of a multi-use spectator facility in Spruce Grove with the capacity to attract and host destination events for residents and visitors.



Action 12 Develop a model that shows the linkages and economic impacts on the hospitality sector in Spruce Grove resulting from event attraction and potential value chain opportunities.



Action 13 Pursue opportunities as part of the Regional Event Hosting Strategy to work with our municipal neighbors to attract and host destination events.



Action 14 Support not-for-profit organizations in attracting events to Spruce Grove through the TriUs and other programs and services available through the City.



Action 15 Advocate for the development of a destination event centre in Spruce Grove which can accommodate a wider range of sport, leisure, cultural and business events as a significant economic generator for the community.



= Priority Timing



PERFORMANCE INDICATORS

Quantitative Indicators

- Number of events attracted to Spruce Grove
- Number of events hosted in the City Centre
- Investment and redevelopment expenditures in the City Centre

- Track redevelopment progress using benchmarking statistics
- Completion of an Area Redevelopment Plan for the City Centre and incorporation of recommendations in the Corporate Plan

Qualitative Indicators

- Emergence of City Centre as a destination within the community

Focusing on
BUSINESS
RETENTION & ATTRACTION



OBJECTIVE 4

Maintain a competitive business, fiscal and regulatory climate that projects a customer service mindset.

Action 16 Participate in updates to the Municipal Development Plan to ensure that policy and regulatory changes promote efficiency and do not create unnecessary constraints and costs for business. **S L C**

Action 17 Participate in updates to the Land Use Bylaw to ensure that policy and regulatory changes promote efficiency and do not create unnecessary constraints and costs for business. **S L C**

Action 18 Support the continued deployment of the City View Web Portal which provides a streamlined and cost-effective on-line access for developers in obtaining permits and other compliances. **S L C**

Action 19 Undertake a cost analysis which compares Spruce Grove's competitive position for business retention and attraction with other municipalities in the Edmonton Metro Region **S L C**

Action 20 Support efforts to work with the Urban Development Institute (UDI) to identify opportunities for streamlining development approval processes and vetting innovative development concepts. **S L C**

S L C
= Priority Timing

OBJECTIVE 5

Pursue a targeted approach to investment attraction that prioritizes sectors and opportunities based on likelihood of success and highest return.

Action 21 Update the Industry Sector Targeting Study every two years including consideration of supply chain management opportunities within the region.

S L C

Action 22 Update the Retail and Office Market Analysis every two years including a consumer intercept survey and better definition of Spruce Grove's trade catchment.

S L C

Action 23 Attend targeted trade shows such as ICSC Conferences that provide a venue for promoting development opportunities and access to major retail companies and institutional investors.

S L C

Action 24 Work with NAIT regarding the future build-out of their Spruce Grove campus and opportunities to attract companies that have synergy with their training and applied research programs.

S L C

Action 25 Evaluate potential opportunities for renewable energy projects in Spruce Grove including potential funding sources from the Alberta government.

S L C

OBJECTIVE 6

Broaden and build the local business base by investing in business development and support programs and services.

Action 26 Provide a one stop window for access to information and other services that support small business including areas such as training, employee recruitment, financing, regulatory approvals, technology transfer, market research and business counselling.

S L C

Action 27 Work with the Spruce Grove and District Chamber of Commerce in supporting theme-based business workshops and other outreach activities to assist small businesses.

S L C

Action 28 Work with the Northern Alberta Business Incubator (NABI) to evaluate the potential to establish a business incubator and accelerator in Spruce Grove.

S L C

Action 29 Formalize a business retention and expansion program through initiatives such as expanded business visitation, access to business information and support, and assistance in navigating development approvals.

S L C

S L C

= Priority Timing



PERFORMANCE INDICATORS

Quantitative Indicators

- Number of companies assisted through business attraction, retention and attraction efforts

- Complete updates to the Retail and Office Market Analysis, Industrial Sector Targeting Strategy and Comparative Cost Survey
- Value of building permits
- Number of business licenses

Qualitative Indicators

- Spruce Grove's reputation as a good location for business
- Level of engagement with the business community



OBJECTIVE 7

Invest in an integrated approach to providing the infrastructure, services and policy framework to support future growth of employment lands.

- Action 30 S L C Ensure that the City's long-term capital plan addresses the infrastructure investments required to plan for the orderly development of the City Centre and underutilized lands to sustain future economic growth.
- Action 31 S L C Complete the extension of the Boundary Road sanitary sewer trunk line to open up commercial and industrial employment lands in southwest Spruce Grove.
- Action 32 S L C Pursue the feasibility of developing a high load corridor from the Spruce Grove industrial area to attract modular fabrication and heavy equipment services.
- Action 33 S L C Review the state of the road and utility infrastructure in the older industrial areas to ensure that it meets a heavy haul standard and incorporate any recommendations for improvement in the corporate plan.
- Action 34 S L C Support the recommendations from the Social Sustainability Plan centered on local transit development and the need to connect neighborhoods, employment areas, shopping destinations and recreational amenities within Spruce Grove.
- Action 35 S L C Advocate for the construction of Highway 628 as a heavy haul route with Alberta government funding to relieve potential traffic pressures on Highways 16 and 16A in future years.
- Action 36 S L C Support the extension of commuter and local transit service as infrastructure required to support economic growth and workforce mobility.

S L C
= Priority Timing

OBJECTIVE 8

Ensure that Spruce Grove businesses have access to state-of-the-art broadband services at competitive rates which are increasingly essential to attract and retain high quality businesses and jobs.

Action 37 Develop a next generation broadband strategy for Spruce Grove that provides options and recommendations on building out a fibre optic network.

S L C

Action 38 Prepare a recommended implementation plan for a fibre optic network for consideration by City Council and incorporate into the Corporate Plan going forward.

S L C

Action 39 Establish engineering standards that may require the installation of conduit in new subdivisions and road/utility rehabilitation projects.

S L C

Action 40 Investigate the cost and benefit of pursuing a "smart city" standard in the utilization and availability of high capacity broadband.

S L C

S L C = Priority Timing



PERFORMANCE INDICATORS

Quantitative Indicators

- Development and approval by Council of a next generation broadband strategy for Spruce Grove
- Value of building permits
- Absorption rates for residential, commercial and industrial lands

Qualitative Indicators

- Ensure that lack of appropriate infrastructure does not become a constraint on orderly growth and development



Ensuring an Adequate
SUPPLY
 of Market-Ready
EMPLOYMENT LANDS



OBJECTIVE 9

Undertake long-term planning to ensure that Spruce Grove will continue to have an adequate supply of land that accommodates future development such that it does not become a barrier to growth.

Action 41 Support the development and implementation of Spruce Grove Growth Study which will set out the land requirements to meet the future growth of the community.



Action 42 Develop a Corporate Land Strategy which considers strategic land acquisition by the City as a lever for promoting economic development and ensuring that the corporate needs of the City are addressed.



OBJECTIVE 10

Work with developers and property owners toward achieving the highest and best use of employment lands to generate higher value assessment and job growth.

Action 43 Collaborate with developers in the build-out of Westwind Centre on the Yellowhead as a regional destination for retail, hospitality services, corporate offices and entertainment.



Action 44 Promote redevelopment of the Highway 16A corridor through Spruce Grove to better utilize derelict or underdeveloped sites and open new commercial lands.



Action 45 Support the work of the City Centre Business Association in promoting the revitalization and redevelopment of the City Centre as a uniquely Spruce Grove experience.



Action 46 Prepare a plan for the development and marketing of City-owned industrial lands on Century Road.



Action 47 Undertake a study to determine ways to incentivize higher value commercial and industrial investment targeted at bringing on new lands and buildings or attracting major industrial employers.



S L C
 = Priority Timing



PERFORMANCE INDICATORS

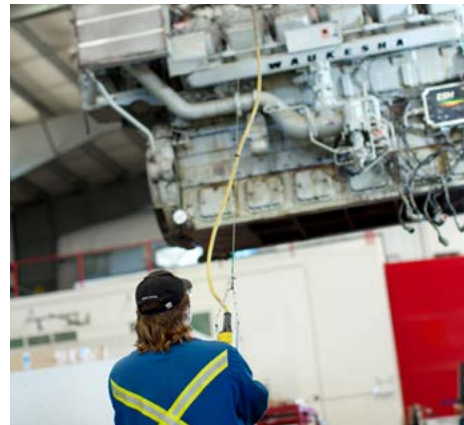
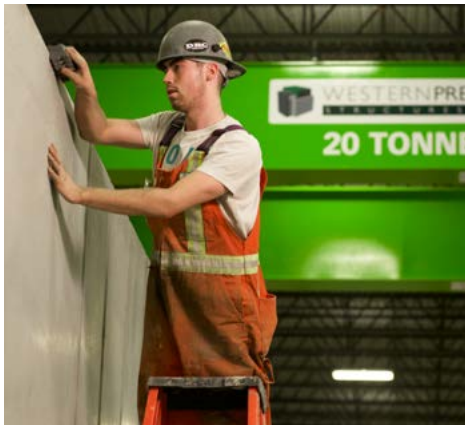
Quantitative Indicators

- Growth in non-residential tax assessment
- Growth in local employment
- Overall supply of serviced employment lands

- Absorption rate of industrial, commercial and residential lands
- Amount of gross floor area built out for commercial and industrial use

Qualitative Indicators

- Progress on build-out of Westwind lands and redevelopment of City Centre and Highway 16A corridor



Strategic Goal #5



OBJECTIVE 11

Ensure there is convenient and up-to-date access to a range of information products on Spruce Grove available to investors, businesses, residents and visitors.

Action 48 **S L C** Transition to a standalone Economic Development website which uses an architecture that allows a better functionality and integration of features more in line with industry standards today and required by businesses and site selectors.

Action 49 **S L C** Continue to produce updated “Here We Grow” Profiles, “Finding Success in Spruce Grove” testimonials, maps and other business information products in both printed and electronic form.

Action 50 **S L C** Continue to generate data on traffic counts, residential lot inventories, site locator listings of land and buildings for sale or lease, retail trade and other surveys which are in demand.

S L C

= Priority Timing

OBJECTIVE 12

Partner with interested business and municipal stakeholders in the marketing of Spruce Grove as a place to live, visit, invest or run a business.

Action 51 Extend the contract with the Spruce Grove and District Chamber of Commerce for the delivery of visitor information services.

S L C

Action 52 Continue to sponsor the TriUs event hosting program, participate in the Tri Region Tourism initiative and explore opportunities to engage with Edmonton Tourism as part of a broader marketing campaign.

S L C

Action 53 Partner with developers in residential, commercial and industrial economic development marketing campaigns such as "Sweet Life in Spruce" where needed to sustain and grow the level of activity in Spruce Grove.

S L C

Action 54 Participate in the development of new branding for Spruce Grove as part of an overall corporate initiative which can then be integrated into our marketing activities.

S L C

OBJECTIVE 13

Collaborate as part of the Edmonton Metro Region in the development of a new approach to investment attraction, branding and promotion as a world class metropolitan area.

Action 55 Participate as part of the Metro Mayor's Alliance in the development of a metropolitan level marketing and investment attraction organization in partnership with other business, government (Alberta and federal) and institutional (University of Alberta, Edmonton Airports, etc.) groups.

S L C

Action 56 Continue to participate in the Greater Edmonton Economic Development Team of 24 metro area municipalities and contribute to the refocusing of its mandate.

S L C

Action 57 Engage with Parkland County and Acheson Business Association on the potential of establishing a major economic development zone on the western side of the metropolitan region.

S L C

S L C

= Priority Timing



PERFORMANCE INDICATORS

PERFORMANCE INDICATORS

Quantitative Indicators

- Number of followers on social media platforms
- Number of visitors to the economic development website
- Number of visitors and information requests through the Visitor Information Centre

Qualitative Indicators

- Achieve a stronger identity for Spruce Grove as a viable business and industrial location
- Continue to produce the range of information products in demand by investors and business stakeholders



APPENDIX A: Environmental Scan

Demographic Characteristics

Population and Population Growth

In 2017, Spruce Grove had a population of 34,881, an increase of 33% since 2011. The population has more than doubled its population since 2001. In fact the city's population has continued to increase since 1996. Spruce Grove's population increased at a faster rate than the provinces between 2011 and 2016. As per the 2017 Spruce Grove Municipal Census, Spruce Grove is projected for a 2.4% increase in population from 2016 to 2017; this corresponds to an increase of 815 persons.

By 2044, the city is projected to have between 40,000 and 45,000 people. The continued growth of the city will place serious demands on current infrastructure, but at the same time provide new opportunities for continued economic development of the city.

FIGURE 1
POPULATION CHANGE FOR SPRUCE GROVE 2006-2016

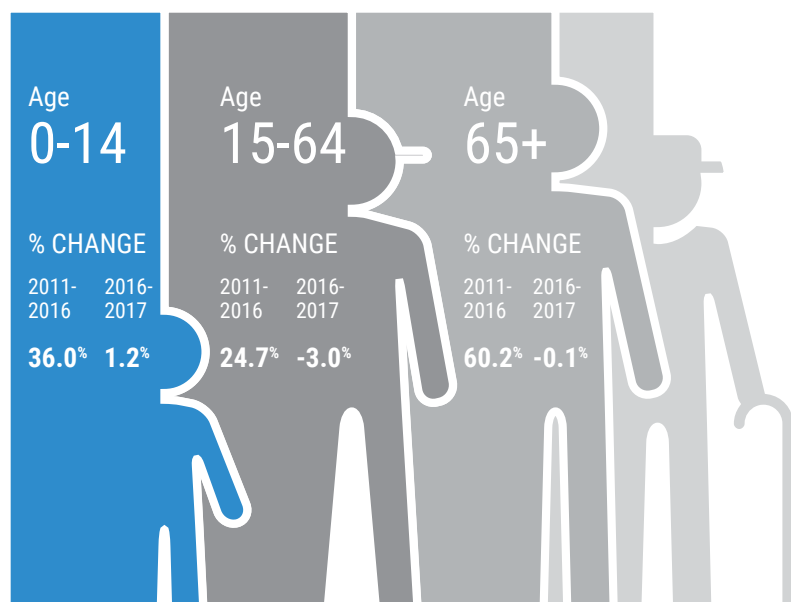


FIGURE 2
POPULATION TOTAL AND CHANGE BY AGE GROUPS, 2011, 2016 AND 2017 FOR SPRUCE GROVE AND ALBERTA

	Year			Change 2011-2016		Change 2016-2017	
	2011	2016	2017	Absolute Change	% Change	Absolute Change	% Change
SPRUCE GROVE							
Total Population	26,171	34,066	34,881	7,895	30.2%	815	2.4%
0 to 14 years	5,660	7,695	7,789	2,035	36%	94	1.2%
15 to 64 years	18,305	22,830	22,139	4,525	24.7%	-691	-3.0%
65 and over	2,210	3,540	3,537	1,330	60.2%	-3	-0.1%
ALBERTA							
Total Population	3,645,257	4,067,175	4,161,006	421,918	11.6%	93,831	2.3%

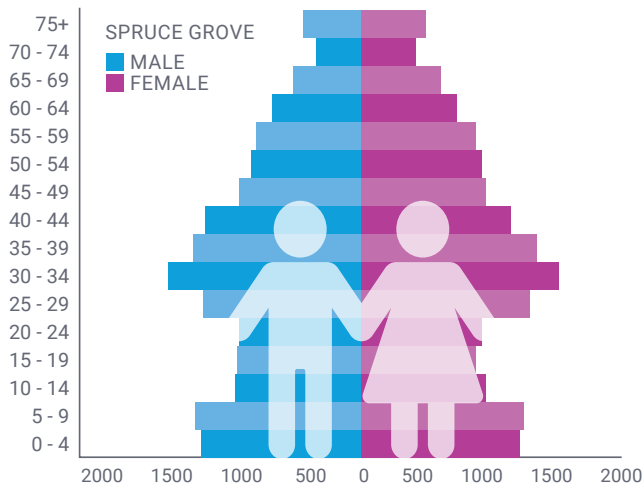
Source: Statistics Canada, 2016 Census of Population and 2011 National Household Survey. 2017 Spruce Grove Municipal Census. 2017. 2017 Municipal Affairs Population List.

Population by Age Structure

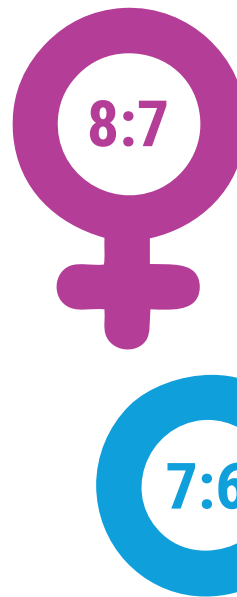
The population structures for both Spruce Grove and Alberta can be characterized by relatively even population growth. Spruce Grove had a slightly younger population compared to the Province; in 2017 the median age of the population was 34 compared to the median age in Alberta at 36.7.

The majority of the population in Spruce Grove are between the ages of 30 to 34 years. Spruce Grove had a larger number of people between the ages to 25-39 and a small number of people over than 65 compared to Alberta. This means that Spruce Grove has a high population of working age people, suggesting the possibility of future economic growth within the City. Spruce Grove also has a relatively similar number of men and women.

FIGURE 3 POPULATION BY AGE GROUPS, 2017



Source: 2017 Spruce Grove Municipal Census



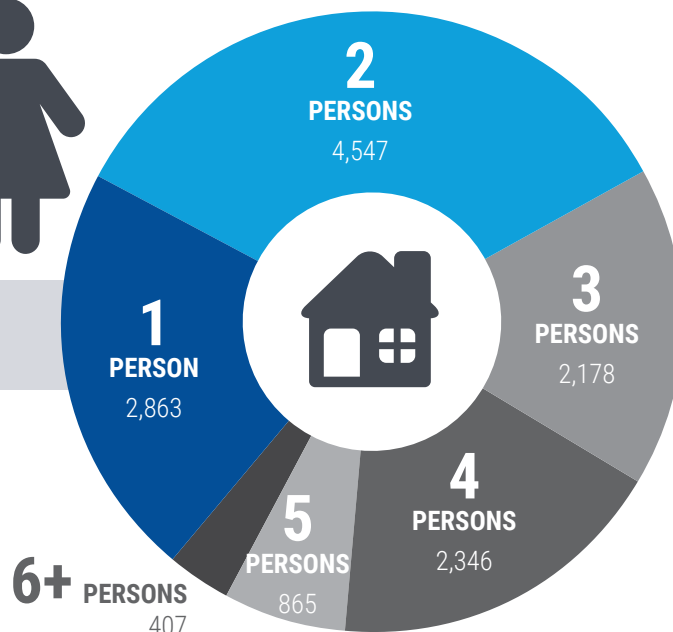
RATIO OF **FEMALES** ranging from ages **49 to 54** in Spruce Grove (9:8 in Alberta)

RATIO OF **MALES** ranging from ages **10 to 14** in Spruce Grove (22:21 in Alberta)

Spruce Grove had a larger number of people between the ages to 25-39 and a small number of people over 65 compared to Alberta.



FIGURE 4 NUMBER OF PERSONS IN THE HOUSEHOLD



Household Size

The household size data shows that 34% of the households in Spruce Grove are two person households. 44% of households have three or more persons. The average number of persons per household is 2.66.

TOTAL COUNT:
13,206

Source: 2017 Spruce Grove Municipal Census

FIGURE 5 POPULATION TRENDS FOR EACH ENUMERATION AREA, 2016-2017

ZONE	2017	%	2016	%	Change %
101 Harvest Ridge	2,880	8.3%	2,731	8.1%	5.5%
102 Spruce Ridge, Legacy Park, Springate	3,260	9.3%	2,998	8.9%	8.7%
103 Deer Park	1,219	3.5%	1,185	3.5%	2.9%
104 Heatherglen, McLaughlin	3,238	9.3%	3,143	9.3%	3.0%
105 Westgrove, Mobile City Estates	1,866	5.3%	1,907	5.7%	-2.1%
106 Aspenglen, Jesperdale	1,967	5.6%	1,941	5.8%	1.3%
107 Millgrove	1,532	4.4%	1,589	4.7%	-3.6%
108 Fieldstone, Linkside	1,642	4.7%	1,665	4.9%	-1.4%
109 Woodhaven, Woodside	1,915	5.5%	1,934	5.7%	-1.0%
110 City Centre	1,835	5.3%	1,889	5.6%	-2.9%
111 Hilldowns, Stoneshire	1,713	4.9%	1,613	4.8%	6.2%
112 Brookwood	2,026	5.8%	2,075	6.2%	-2.4%
113 Broxton Park	1,380	4.0%	1,325	3.9%	4.2%
114 Westwind, Kenton, Spruce Village, Greenbury, Prescott	4,409	12.6%	3,784	11.2%	16.5%
115 Grove Meadows	1,585	4.5%	1,565	4.7%	1.3%
116 Lakewood	2,414	6.9%	2,296	6.8%	5.1%
114 Spruce Village	2,327	7.3	2,314	6.9	-0.6
114 Kenton, Greenbury, Prescott	957	3	1,470	4.4	53.6
115 Grove Meadows	1,603	5	1,565	4.7	-2.4
116 Lakewood	2,311	7.2	2,296	6.8	-0.6

Source: 2017 Spruce Grove Municipal Census

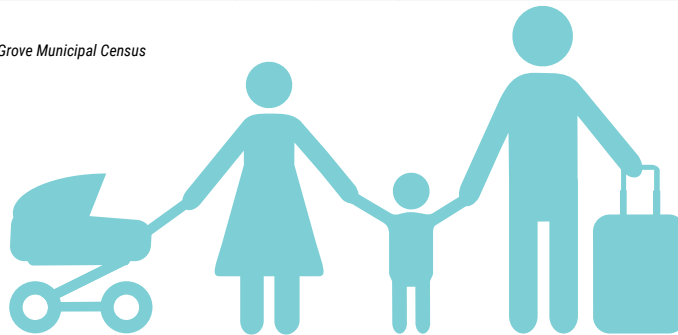


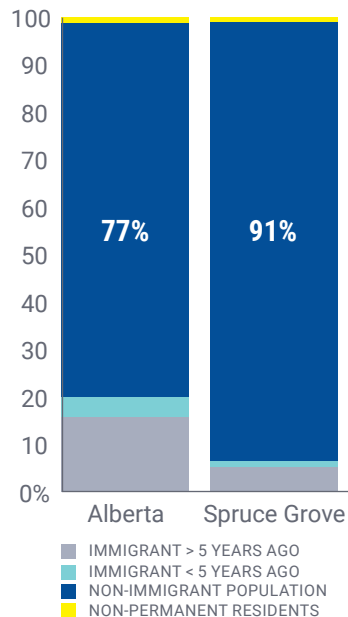
FIGURE 6 MIGRATION LEVELS OVER THE PAST FIVE YEARS FOR SPRUCE GROVE AND ALBERTA, 2011

Migration

In 2016, Spruce Grove had a larger proportion of non-immigrants in its population. Neither Spruce Grove nor Alberta had significant levels of non-permanent resident populations, each with no greater than 2% of the population. Spruce Grove had a lower proportion, almost two thirds less, of immigrants compared to the province. This indicated that Spruce Grove may have difficulty attracting newcomers, recent immigrants. This may present a challenge for the City as immigrants are a good source of both skilled and unskilled labour for the City’s enterprises.

Enumeration Zones

Figure 5 shows population by zone for 2016 and 2017 and the change over the two censuses. The largest growth occurred in EA 114 (Westwind, Kenton, Spruce Village, Greenbury and Prescott neighbourhoods).



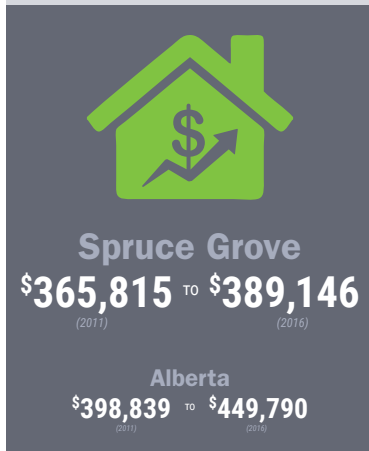
Source: Statistics Canada, 2016 Census of Population

FIGURE 7 MEDIAN HOUSEHOLD INCOME, 2016



Source: Statistics Canada, 2016 Census of Population and 2011 National Household Survey

FIGURE 8 AVERAGE VALUE OF DWELLINGS, 2016



Source: Statistics Canada, 2016 Census of Population and 2011 National Household Survey



Income Levels

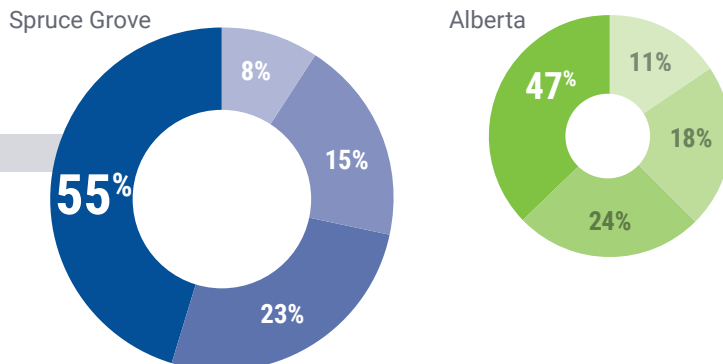
In 2011 and 2016, Spruce Grove had a higher median household income compared to the province, a difference of \$14,531 and \$14,043 respectively. The growth rate experienced by the municipality between these years also exceeded that of the province. However it is important to note that both geographies experienced a substantial increase in median income levels over the five year period.

In 2016, the average value of dwellings in Spruce Grove was \$389,146 compared to the province with \$449,790. The value of dwellings increased by \$23,331 from 2011 to 2016 in Spruce Grove compared to the provincial average increase of \$50,951. The higher median income and lower dwelling value in Spruce Grove compared to the province suggests that the cost of living within the City is relatively low. This could be an important factor for attracting and retaining residents.

Figure 9 illustrates the different income proportions for both Spruce Grove and Alberta. Spruce Grove has a higher percentage of workers earning \$100,000 and above compared to the province. Both the \$5,000-\$29,999 and \$30,000-\$59,999 income brackets are less represented in the City compared to the provincial average. The higher median household income coupled with higher wage earners and lower housing costs may mean that Spruce Grove residents have more disposable income available to spend in the retail sector, helping to boost the local economy. This also provides an opportunity to achieve a higher quality of life that might be not attainable in other communities when a larger percentage of a household’s income is dedicated towards housing costs.

FIGURE 9 INCOME LEVELS, 2016

- \$100,000+
- \$60,000 - \$99,999
- \$30,000 - \$59,999
- \$0 - \$29,999



Source: Statistics Canada, 2016 Census of Population

Educational Profile

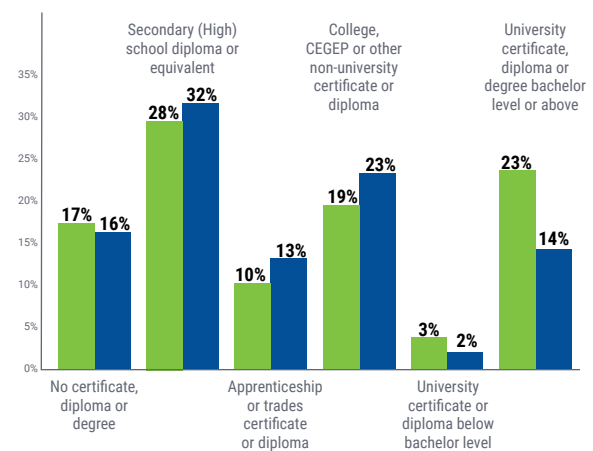
An educational profile is an important socio-economic indicator, which reveals the community's ability to adequately staff new and existing businesses. In 2016, Spruce Grove had a lower proportion of the labour force with some form of university education compared to that of the province. The most drastic difference is those with a university certificate, diploma or degree at the bachelor level or above, where Spruce Grove was behind Alberta by 9%. Spruce Grove has a higher proportion of its population with an apprenticeship or trades certificate or diploma, and college, CEFEP or other non-university certificate compared to the province.

As indicated, 16% (4,265 people) have no certificate, diploma or degree in Spruce Grove while 52% have either a certificate, diploma or degree. The major field of study for these individuals as categorised by the Classification of Instructional Programs (CIP) 2016 is shown in *Figure 10*.

In 2016, Spruce Grove had a higher proportion of its workforce who studied architecture, engineering and related technologies, health and related services, and personal, protective, and transportation services compared to the province. For all other fields of study, Spruce Grove had either a lower or similar proportion of people who studied in the field compared to the province. The largest proportion of the City's workforce had studied architecture, engineering and related technologies, with 4,210 people. The smallest proportions of the City's work force studied mathematics; computer and information sciences (1% or 265 people) and physical and life sciences and technologies (0.9% or 225 people). According to the data, no residents studies in the 'other' category. There may be some residents who studies in this category, however this data has been suppressed.

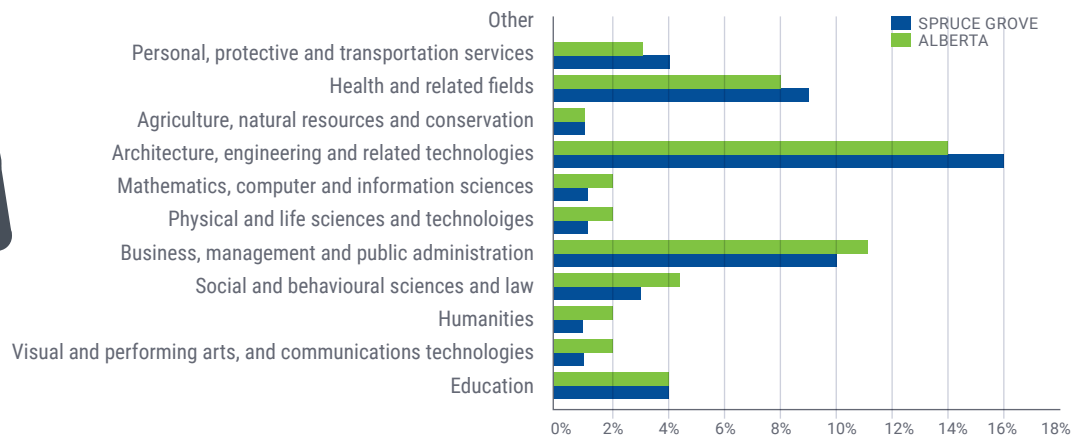
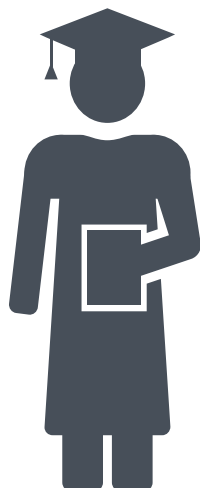


FIGURE 10 POPULATION BY EDUCATIONAL ATTAINMENT, 2016



Source: Statistics Canada, 2016 Census of Population

FIGURE 11 EDUCATION BY MAJOR FIELD OF STUDY, 2016



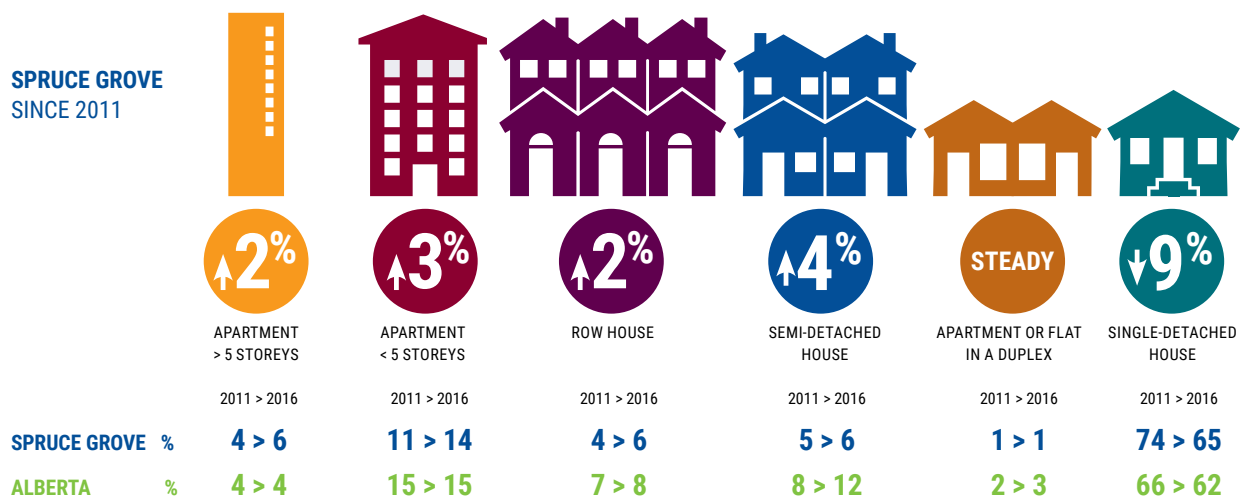
Source: Statistics Canada, 2016 Census of Population

Dwelling Characteristics

Figure 12 indicates that Spruce Grove had a higher number of single detached homes compared to Alberta both in 2011 and 2016. In 2016, single detached homes made up approximately 65% of the dwellings in the city, but only accounted for around 62% of the dwellings in the province. Single detached houses grew by 17% (1,190 houses) from 2011 to 2016. Semi-detached homes grew by 85% (675 houses), row houses grew by 73% (305 houses) and apartment building that has fewer than five storeys grew by 68% (730 apartments) for the same time period.

Spruce Grove also had a higher number of semi-detached homes compared to the province. This suggests a low density style development patterns within the city. This style of development has broader impacts on other services, including transportation, decreasing the ability to provide public transportation while also increasing the costs of municipal servicing.

FIGURE 12 DWELLING TYPES IN SPRUCE GROVE AND ALBERTA, 2011-2016



Source: Statistics Canada, 2016 Census of Population and 2011 National Household Survey



Workforce Profile

Trends in Local Occupations and Employment

In 2016, Spruce Grove had a labour force of 19,300, an increase of over 31% or 4,595 people from 2011. The unemployment rate for Spruce Grove was 7.8% in 2016.

Labour Force by Industry

An understanding of the skills of the resident labour force by industry can provide an indication of the areas in which a community or jurisdiction can provide support to investment attraction and retention initiatives based on the industry-related skills of its labour force. The construction industry employed the largest proportion of Spruce Grove's population at 16% (3,010 people). This was also the largest different in proportion of workforce between the City and the province. The management of companies and enterprises had the lowest proportion, making up only 0.2% of Spruce Grove's workforce. Interestingly the management of companies and enterprises also had the lowest representation at the provincial level.

The top employing industry sectors were:



From 2011 to 2016, the total labour force by all industries grew by 30% (4,365 people). The retail trade sector saw the largest labour force growth of 925 people from 2011 to 2016, followed by construction with an increase of 870 people. Educational services and accommodation and food services also saw labour force growth of 405 and 335 people, respectively. The largest decrease in labour force activity for the same time period was in public administration and utilities.

Spruce Grove experienced a greater percentage change in the labour force compared to the province for the retail trade, construction, educational services and accommodation and food services. Professional, scientific and technical services also saw a labour force growth of 45% in Spruce Grove while the province experienced only 7% growth.

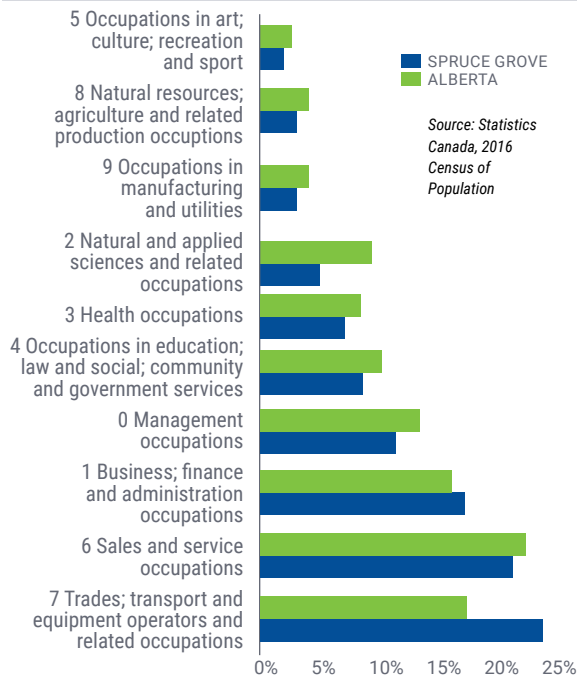
Labour force in wholesale trade grew by 27% in Spruce Grove while the province saw a decline of 7%. Similarly, information and cultural industries grew by 35% in Spruce Grove while the province saw a decline of 3%. Spruce Grove experience a labour force decrease in both the mining and oil and gas extraction and real estate and rental and leasing sectors over the same period while the province experienced increases.

FIGURE 13 WORKFORCE BY INDUSTRY, 2011-2016

Industry (NAICS)	2011		2016		Spruce Grove		Alberta	
	Spruce Grove	Alberta	Spruce Grove	Alberta	2011 - 2016 Change	Change %	2011 - 2016 Change	Change %
ALL INDUSTRIES	14,705	1,993,225	19,070	2,262,935	4,365	30%	269,710	14%
11 Agriculture, forestry, fishing and hunting	60	59,350	130	64,035	70	117%	4,685	8%
21 Mining and oil and gas extraction	775	129,485	760	142,490	-15	-2%	13,005	10%
22 Utilities	365	21,465	295	21,940	-70	-19%	475	2%
23 Construction	2,140	182,095	3,010	236,370	870	41%	54,275	30%
31-33 Manufacturing	875	118,520	1,070	127,535	195	22%	9,015	8%
41 Wholesale trade	885	86,285	1,125	80,610	240	27%	-5,675	-7%
44-45 Retail trade	1,545	215,975	2,470	249,880	925	60%	33,905	16%
48-49 Transportation and warehousing	670	100,760	955	115,295	285	43%	14,535	14%
51 Information and cultural industries	170	34,140	230	33,045	60	35%	-1,095	-3%
52 Finance and insurance	320	67,150	545	69,225	225	70%	2,075	3%
53 Real estate and rental and leasing	365	38,395	330	41,520	-35	-10%	3,125	8%
54 Professional, scientific and technical services	655	156,095	950	167,800	295	45%	11,705	7%
55 Management of companies and enterprises	25	2,410	30	5,560	5	20%	3,150	131%
56 Administrative and support, waste management and remediation services	415	67,505	560	87,350	145	35%	19,845	29%
61 Educational Services	760	137,300	1,165	147,270	405	53%	9,970	7%
62 Health care and social assistance	1,585	200,340	1,840	245,875	255	16%	45,535	23%
71 Arts, entertainment and recreation	210	36,350	340	44,880	130	62%	8,530	23%
72 Accommodation and food services	925	117,525	1,260	153,790	335	36%	36,265	31%
81 Other services (except public administration)	885	97,180	985	105,865	100	11%	8,685	9%
91 Public administration	1,095	124,895	1,020	122,595	-75	-7%	-2,300	-2%

Source: Statistics Canada, 2016 Census of Population and 2011 National Household Survey

FIGURE 14 LABOUR FORCE POPULATION BY OCCUPATION, 2016



Labour Force by Occupation

In order to get a more complete picture of the labour force capabilities for a particular area, it is necessary to examine the labour force by occupation, that is, by the core activities associated with an individual's employment. This provides a more detailed look at an individual's specialization, which may not be evident in an industry-based analysis. For example, Spruce Grove has a higher proportion of workers in trades, transport and equipment operators, and related occupations (24%) compared to Alberta (18%). This is the only occupation in which Spruce Grove has a higher percentage. Sales and service occupations and business; finance and administration occupations were the other top occupations in Spruce Grove, accounting for 21% and 16% of the total labour force.

As outlined in Figure 15, sales and service occupations experienced the largest growth between 2016 and 2011 (1,210 people). Trades; transport and equipment operators and related occupations, management occupations and business; finance and administration occupations were the other top growing occupations in Spruce Grove.

FIGURE 15 WORKFORCE BY OCCUPATION, 2011-2016

Industry (NAICS)	2011		2016		Spruce Grove		Alberta	
	Spruce Grove	Alberta	Spruce Grove	Alberta	2011 - 2016 Change	Change %	2011 - 2016 Change	Change %
ALL OCCUPATIONS	14,705	1,993,225	19,070	2,262,935	4,365	30%	269,710	14%
0 Management occupations	1,505	243,245	2,185	261,505	680	45%	18,260	8%
1 Business; finance and administration occupations	2,475	334,755	3,060	353,965	585	24%	19,210	6%
2 Natural and applied sciences and related occupations	880	163,030	900	175,025	20	2%	11,995	7%
3 Health occupations	825	121,960	1,120	150,415	295	36%	28,455	23%
4 Occupations in education; law and social; community and government services	1,635	205,555	1,860	228,325	225	14%	22,770	11%
5 Occupations in art; culture; recreation and sport	265	42,435	335	50,170	70	26%	7,735	18%
6 Sales and service occupations	2,810	412,070	4,020	491,495	1,210	43%	79,425	19%
7 Trades; transport and equipment operators and related occupations	3,480	346,155	4,555	406,495	1,075	31%	60,340	17%
8 Natural resources; agriculture and related production occupations	420	62,665	485	72,465	65	15%	9,800	16%
9 Occupations in manufacturing and utilities	410	61,355	555	73,070	145	35%	11,715	19%

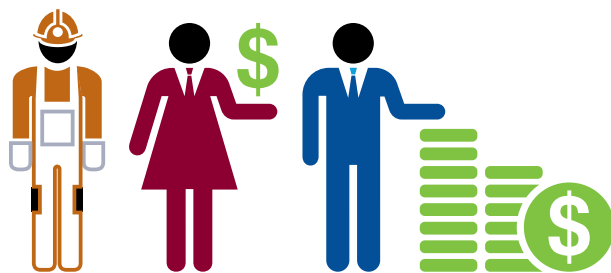
Source: Statistics Canada, 2016 Census of Population and 2011 National Household Survey.

Wages by Industry

In 2016, the median employment income in the Edmonton Region was \$47,673, while the median employment income for the province was \$45,895. *Figure 16* illustrates the top ten sub-industries with the largest percentage of workers for both the Edmonton Region and Alberta.

Examining beyond the top 10 sub-industries, the Edmonton Region had a higher proportion of people with employment income in the remaining sub-industries:

- Heavy and Civil Engineering Construction
- Motor vehicle and parts dealers
- Machinery, equipment and supplies merchant wholesalers
- Fabricated metal product manufacturing



In examining the highest median employment incomes in the Edmonton Region, the top three sub-industries (not from the Oil and Gas Industry) were:

\$109,882	Chemical Manufacturing
\$86,971	Primary Metal Manufacturing
\$75,945	Heavy and Civil Engineering Construction

The median income for these three sub-industries were the highest among other regions in the province.

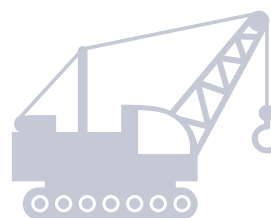


FIGURE 16 TOP TEN SUB-INDUSTRIES BASED ON EMPLOYMENT INCOME, 2016

Industry (3-Digit NAICS)	Edmonton Region		Alberta	
	With employment income	Median employment income	With employment income	Median employment income
611 Educational services	7.1%	\$47,673	6.6%	\$48,433
541 Professional, scientific and technical services	6.8%	\$52,028	7.2%	\$57,997
238 Specialty trade contractors	6.4%	\$57,413	5.7%	\$51,053
722 Food services and drinking places	6.1%	\$54,709	5.9%	\$15,272
621 Ambulatory health care services	4.1%	\$15,392	4.0%	\$49,642
622 Hospitals	3.8%	\$52,109	3.2%	\$60,217
561 Administrative and support services	3.5%	\$64,071	3.5%	\$27,984
236 Construction of buildings	3.1%	\$29,843	2.6%	\$52,525
913 Local, municipal and regional public administration	2.6%	\$59,950	2.5%	\$70,706
912 Provincial and territorial public administration	2.6%	\$70,463	1.5%	\$74,790

Source: Statistics Canada - 2016 Census. Catalogue Number 98-400-X2016364.

Labour Flow Characteristics

Place of Work Status

Figure 17 illustrates the proportion of the labour force by their place of work in 2016. Approximately, 78% of the population in Spruce Grove worked at a usual place of work while 16% had no fixed workplace address. Spruce Grove had a similar proportion of people working at a usual place of work and with no fixed workplace address compared to the province. Conversely, Alberta had a higher proportion of its workforce working at home compared to Spruce Grove. This finding may be attributed to the high concentration of manufacturing, construction, and retail trade related work in the city.

Commuting Patterns

The next two figures display the community patterns for the workforce that resides in Spruce Grove and for the labour force that works within the municipality. Figure 18 shows the top locations where Spruce Grove residents commute to for work. Approximately 42% of Spruce Grove residents work in Edmonton while 30% work in Spruce Grove. Parkland County makes up the second largest percentage of the commuting workforce (9%).

Figure 19 shows the largest percentage of workers travel from Parkland County, Edmonton and Stony Plain.

These figures illustrate that Spruce Grove has had the ability to capture a decent size of its own workforce, an important consideration for future industrial and commercial growth. Also, while Spruce Grove is losing 1,280 of its residents to Parkland County, it is still able to attract 1,505 residents of Parkland County to work in Spruce Grove.

FIGURE 17 PLACE OF WORK STATUS IN SPRUCE GROVE AND ALBERTA, 2016

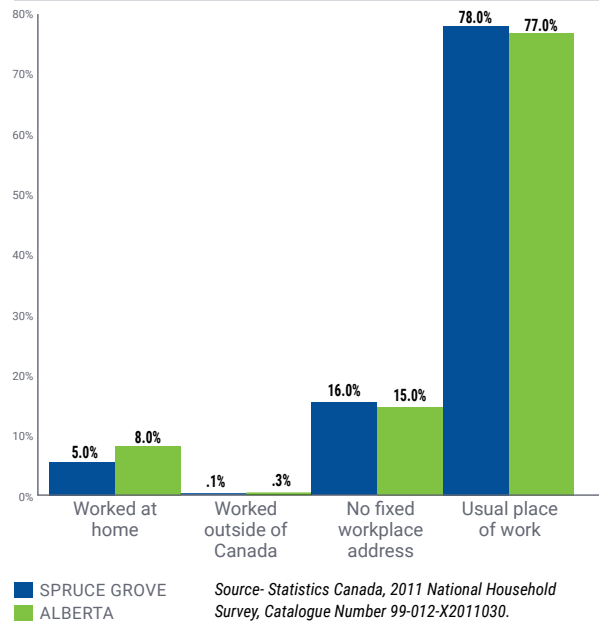


FIGURE 19 TOP LOCATIONS WORKERS OF SPRUCE GROVE COMMUTE FROM THEIR USUAL PLACE OF WORK, 2016

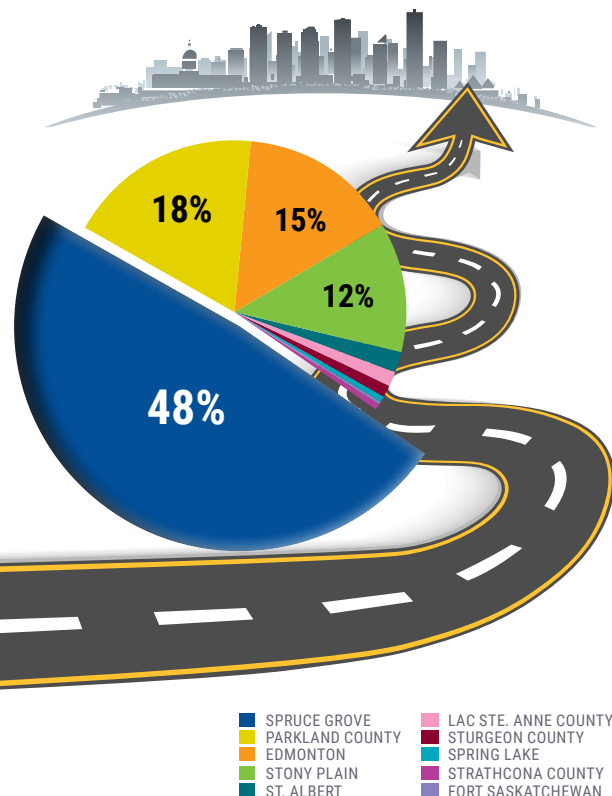
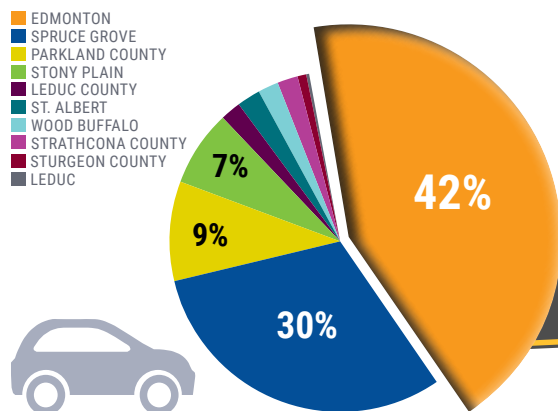


FIGURE 18 TOP 10 LOCATIONS RESIDENTS OF SPRUCE GROVE COMMUTE TO FOR THEIR USUAL PLACE OF WORK, 2016



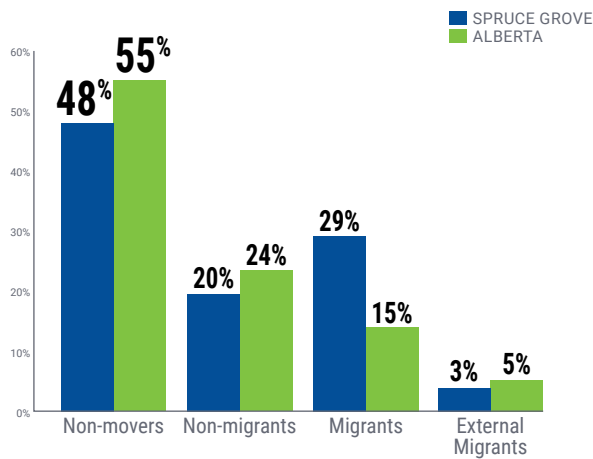
Source: Statistics Canada, 2016 Census of Population, Statistics Canada Catalogue no. 98-400-X2016325.

Mobility Status

Examining the mobility status over the last five years was used to determine the level of new comers Spruce Grove was attracting compared to Alberta. *Figure 20* shows the percentage of non-movers, people who have not moved over the past few years, non-migrants, people that have moved but remained in the same municipality, and migrants, who have moved to a different municipality within Canada. This suggests that Spruce Grove is effectively attracting people from out of the province, but not necessarily attracting other Albertans to the area.

Spruce Grove had a higher proportion of migrants compared to the province, a difference of almost 12%. This was the largest difference seen between Spruce Grove and Alberta. This may be explained by the larger number of young families in Spruce Grove compared to the provincial average. Younger workers (25-45) are more likely to move to a new town or city in order to find employment. The province was able to attract a higher proportion of non-migrants and was able to retain a larger number of residents compared to Spruce Grove.

FIGURE 20 MOBILITY STATUS OVER THE LAST FIVE YEARS, 2016



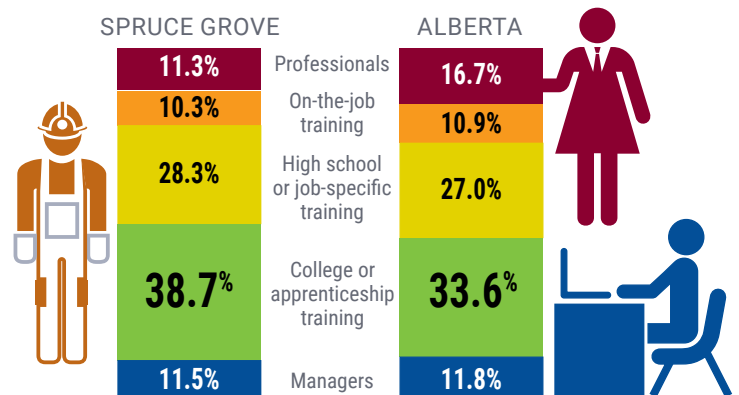
Source: Statistics Canada, 2016 Census of Population.



Occupation Characteristics

To understand the types of occupations categories and corresponding skill levels, *Figure 21* highlights the characteristics for workers in Spruce Grove and Alberta. Spruce Grove had a higher percentage of residents with college or apprenticeship training compared to the province. For other occupational skill levels such as managers and professionals, the province has a high proportion. Looking back to *Figure 10*, Spruce Grove had a higher proportion of residents with an apprenticeship or trades certificate or diploma, and college, CEFP, or other non-university certificate compared to the province. This difference may be accounted for with the higher proportion of Spruce Grove's workforce working in construction, manufacturing, and transportation and warehousing sectors of the economy.

FIGURE 21 OCCUPATION SKILL LEVEL, 2016



Source: Statistics Canada, 2016 Census of Population.

Business Patterns Assessment

Statistics Canada's Canadian Business Patterns data provides a record of business establishments by industry and size, collected from the Canada Revenue Agency. The data collected for Spruce Grove includes all local businesses that meet at least one of the three criteria below:

- Have an employee workforce for which they submit payroll remittances to CRA; or
- Have a minimum of \$30,000 in annual sales revenue; or
- Are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the past three years.

The Canadian Business Patterns Data records business counts by "Total", "Indeterminate" and "Subtotal" categories. The establishments in the "Indeterminate" category include the self-employed (i.e. those who do not maintain an employee payroll, but may have a workforce consisting of contracted workers, family members or business owners). It should be noted that the Canadian Business Patterns Data uses the CRA as a primary resource in establishment counts; therefore, businesses without a business number or indicating annual sales less than \$30,000 are not included. The population of these small, unincorporated businesses is thought to be in the range of 600,000 in all of Canada.

Key Business Characteristics

Understanding the trends in business growth in the community provides valuable insight into the shape that future growth and investment in Spruce Grove might take. It also provides an indication of where the priorities of the county should lie, especially with regards to program development and delivery, and strategic planning. The business pattern data will be analysed through a 2017 snapshot, location quotients for 2014 and 2017, and a time series between 2014 and 2017. When combined with the broader industry analysis, the business patterns information will assist in understanding the key industry opportunities for Spruce Grove.

Figure 22 provides a snapshot of the 2017 business numbers for Spruce Grove. In 2017, there were approximately 3,130 businesses. Spruce Grove is overwhelmingly characterized by small businesses and enterprises. Approximately, 63% of businesses have no employees. Of the remaining 37% of businesses with employees, majority are small establishments employing 1 to 4 people. In total there were seven businesses with 200 or more employees.

The table reveals that the construction industry has the highest concentration of businesses in the City (618 businesses), while public administration has the lowest (1 business). Businesses in the real estate and rental and leasing and the professional, scientific and technical services have significant proportions, with 15% and 13%, respectively.

FIGURE 22 SPRUCE GROVE BUSINESSES BY LOCATION AND SIZE, 2017

Industry (NAICS)	TOTAL BUSINESSES	WITHOUT EMPLOYEES	WITH EMPLOYEES	1-4	5-9	10-19	20-49	50-99	100-199	200-499	500+
11 Agriculture, forestry, fishing and hunting	63	49	14	11	2	1	0	0	0	0	0
21 Mining and oil and gas extraction	52	30	22	18	3	1	0	0	0	0	0
22 Utilities	3	1	2	1	0	0	1	0	0	0	0
23 Construction	618	352	266	188	34	24	14	4	1	1	0
31-33 Manufacturing	59	28	31	16	8	2	4	1	0	0	0
41 Wholesale trade	69	39	30	13	8	4	5	0	0	0	0
44-45 Retail trade	260	97	163	62	43	37	9	7	3	2	0
48-49 Transportation and warehousing	167	108	59	46	5	4	2	2	0	0	0
51 Information and cultural industries	21	11	10	1	6	0	2	1	0	0	0
52 Finance and insurance	139	105	34	22	3	6	3	0	0	0	0
53 Real estate and rental and leasing	457	417	40	30	4	3	1	1	1	0	0
54 Professional, scientific and technical services	412	275	137	105	18	9	5	0	0	0	0
55 Management of companies and enterprises	28	25	3	2	0	0	0	0	0	0	1
56 Administrative and support, waste management and remediation services	125	74	51	28	12	4	6	1	0	0	0
61 Educational services	33	21	12	3	3	3	2	0	0	0	1
62 Health care and social assistance	208	147	61	30	12	11	6	0	2	0	0
71 Arts, entertainment and recreation	34	18	16	7	1	6	1	0	1	0	0
72 Accommodation and food services	93	20	73	11	16	27	13	5	0	1	0
81 Other services (except public administration)	288	156	132	84	23	18	5	2	0	0	0
91 Public administration	1	0	1	0	0	0	0	0	0	1	0

Source: Canadian Business Counts, 2017.

The accommodation and food services, manufacturing, retail trade, and arts, entertainment, and recreation sectors have a higher number of establishments with employees compared to the self-employed or indeterminate category. For each of the other sectors, the indeterminate category has a higher number of establishments.

Based on location quotients¹, the construction, retail trade, and other services have the highest concentrations in both 2014 and 2017. The construction and retail trade sectors increased by three and five percentage points between 2014 and 2017. Over the same time period, other services declined by 9 percentage points. The utilities sector dropped from an average concentration to a low concentration. No industry moved up a category between 2014 and 2017.

FIGURE 23 CONCENTRATION OF BUSINESSES IN SPRUCE GROVE, 2014 AND 2017

Industry (NAICS)	2014		2017	
	LQ	Classification	LQ	Classification
11 Agriculture, forestry, fishing and hunting	0.22	Low	0.23	Low
21 Mining and oil and gas extraction	0.65	Low	0.63	Low
22 Utilities	0.89	Average	0.66	Low
23 Construction	1.52	High	1.55	High
31-33 Manufacturing	1.01	Average	1.02	Average
41 Wholesale trade	1.02	Average	0.90	Average
44-45 Retail trade	1.40	High	1.45	High
48-49 Transportation and warehousing	1.14	Average	0.91	Average
51 Information and cultural industries	0.84	Average	0.85	Average
52 Finance and insurance	0.85	Average	0.78	Average
53 Real estate and rental and leasing	0.94	Average	0.96	Average
54 Professional, scientific and technical services	0.85	Average	0.88	Average
55 Management of companies and enterprises	0.98	Average	1.00	Average
56 Administrative and support, waste management and remediation services	1.04	Average	0.99	Average
61 Educational services	0.91	Average	0.98	Average
62 Health care and social assistance	0.97	Average	1.11	Average
71 Arts, entertainment and recreation	0.85	Average	0.99	Average
72 Accommodation and food services	1.17	Average	1.07	Average
81 Other services (except public administration)	1.37	High	1.28	High
91 Public administration	0.18	Low	0.19	Low

Source: Canadian Business Counts, 2014 and 2017.

FIGURE 24 BUSINESS CHANGE, SPRUCE GROVE, 2014-2017

Industry (NAICS)	2014		2017		Ind.		Subtotal	
	Ind.	Subtotal	Ind.	Subtotal	Change 2014-2017	% Change	Change 2014-2017	% Change
11 Agriculture, forestry, fishing and hunting	51	15	49	14	-2	-4%	-1	-7%
21 Mining and oil and gas extraction	37	23	30	22	-7	-19%	-1	-4%
22 Utilities	1	3	1	2	0	0%	-1	-33%
23 Construction	331	266	352	266	21	6%	0	0%
31-33 Manufacturing	24	38	28	31	4	17%	-7	-18%
41 Wholesale trade	44	39	39	30	-5	-11%	-9	-23%
44-45 Retail trade	106	150	97	163	-9	-8%	13	9%
48-49 Transportation and warehousing	118	86	108	59	-10	-8%	-27	-31%
51 Information and cultural industries	16	4	11	10	-5	-31%	6	150%
52 Finance and insurance	81	41	105	34	24	30%	-7	-17%
53 Real estate and rental and leasing	380	40	417	40	37	10%	0	0%
54 Professional, scientific and technical services	259	140	275	137	16	6%	-3	-2%
55 Management of companies and enterprises	62	10	25	3	-37	-60%	-7	-70%
56 Administrative and support, waste management and remediation services	75	57	74	51	-1	-1%	-6	-11%
61 Educational services	16	11	21	12	5	31%	1	9%
62 Health care and social assistance	106	56	147	61	41	39%	5	9%
71 Arts, entertainment and recreation	14	14	18	16	4	29%	2	14%
72 Accommodation and food services	25	72	20	73	-5	-20%	1	1%
81 Other services (except public administration)	142	160	156	132	14	10%	-28	-18%
91 Public administration	0	1	0	1	0	0%	0	0%

Source: Canadian Business Counts, 2014 and 2017.

¹ Local concentration by location quotient (LQ). An LQ measures the concentration of business activity in a local area (e.g. Spruce Grove) relative to an over-arching area (e.g. Alberta). An LQ of over 1.25 suggests a local relative concentration of activity. In theory, this suggests the local sector is exceeding local demand, and exporting products/services to areas outside of the local community. A sector LQ of less than 0.75 suggests a gap area.

Industrial Profile Analysis

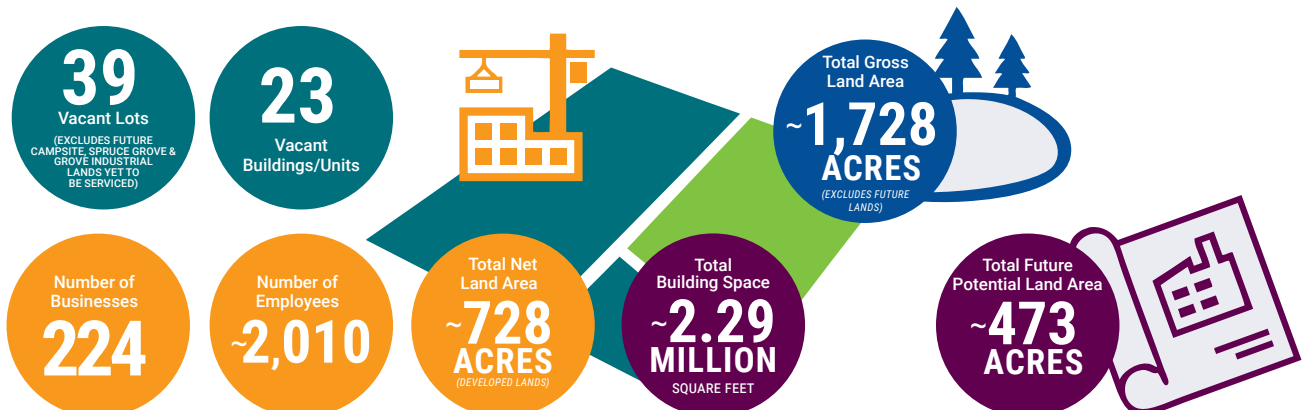
As an industry comparable, Spruce Grove's ratio of employment per acre (2.8) is lower than industry standards suggesting that future growth in newer industrial / business parks could attract higher density land uses or more light industrial types of land uses to supplement the medium and heavy industrial uses that are currently more common in the city. In Spruce Grove, the estimated ratio of employees per square foot of building area (1,140 sf/employee) is at the lower end of the typical range of other industrial parks which typically could range from 1 per 1,000 sf to 1 per 2,500 sf. This is largely attributable to the less land intensive, but more built out, Diamond, Madison and Shep Industrial areas

In terms of industries and business numbers, the top six industries are:

- **Construction (35)**
- **Transportation & Warehousing (31)**
- **Manufacturing (30)**
- **Wholesale Trade (24)**
- **Other Services (except Public Administration) (22)**
- **Administration (25 business)**

Spruce Grove has eight industrial areas. Of these eight areas, Shep Industrial Area is the largest, containing 25.4% of Spruce Grove's industrial employment. Following closely are Diamond Industrial (22.5%) and Yellowhead Industrial (21.6%) areas. In terms of actual land, the Spruce Grove Industrial has the largest amount of land (not including the Public Works Quarter), with roughly 150 acres. Figure 27 provides a snapshot of the make of the eight industrial areas.

FIGURE 25 INFORMATION ON SPRUCE GROVE'S INDUSTRIAL AREAS



16 City of Spruce Grove (2015), Industrial Profile Analysis.
17, 18, 19, 20 Ibid

FIGURE 26 NUMBER OF EMPLOYEES AND BUSINESSES BY INDUSTRY FOR THE EIGHT INDUSTRIAL AREAS IN SPRUCE GROVE, 2011

Industry (NAICS)	Number of Employees	Number of Businesses
Transportation & Warehousing	185	31
Construction	435	35
Other Services (except Public Administration)	92	22
Wholesale Trade	157	17
Manufacturing	394	30
Retail Trade	124	21
Mining, quarrying, and oil and gas extraction	207	14
Professional, Scientific & Technical Services	59	9
Real Estate & Rental and Leasing	82	13
Arts, Entertainment and Recreation	12	4
Administrative and Support, Waste Management	31	7
Accommodation & Food Services	39	4
Information & Cultural Industries	5	2
Educational Services	36	9
Public Administration	138	3
Health Care and Social Assistance	5	1
Agriculture, Forestry, Fishing & Hunting	4	1
Utilities	4	1
Finance & Insurance	0	0
Management of Companies & Enterprise	0	0
TOTAL NUMBER OF BUSINESSES	2,010	224

FIGURE 27 INDUSTRIAL AREAS IN SPRUCE GROVE, 2011

Industrial Areas	Land area in acres	Proportion of employment	Estimated number of employees	Estimated number of businesses
Madison	8	8.8%	177	27
Diamond	108	22.5%	453	46
Shep	108	25.4%	511	69
Yellowhead	135	21.6%	435	43
Spruce Grove	150	12.9%	259	25
Campsite Business Park	42	3.9%	79	12
Public Works Quarter	160	2.7%	54	n/a
Grove Industrial	25	2.0%	40	1
Future Lands	473	n/a	n/a	n/a

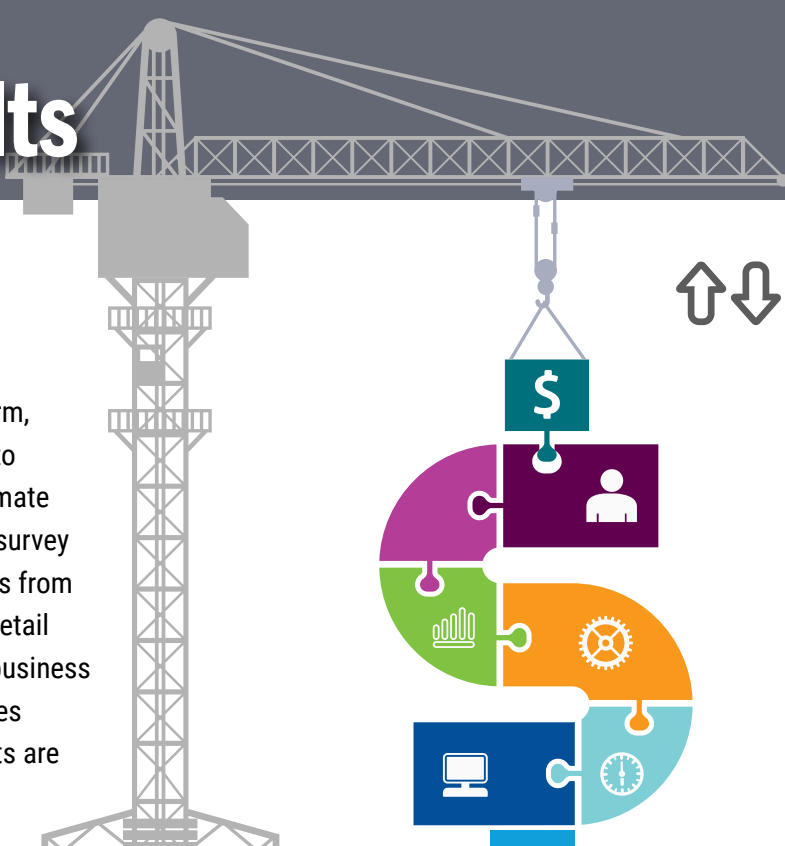
Source: City of Spruce Grove (2015), Industrial Profile Analysis.

APPENDIX B:

Survey Results

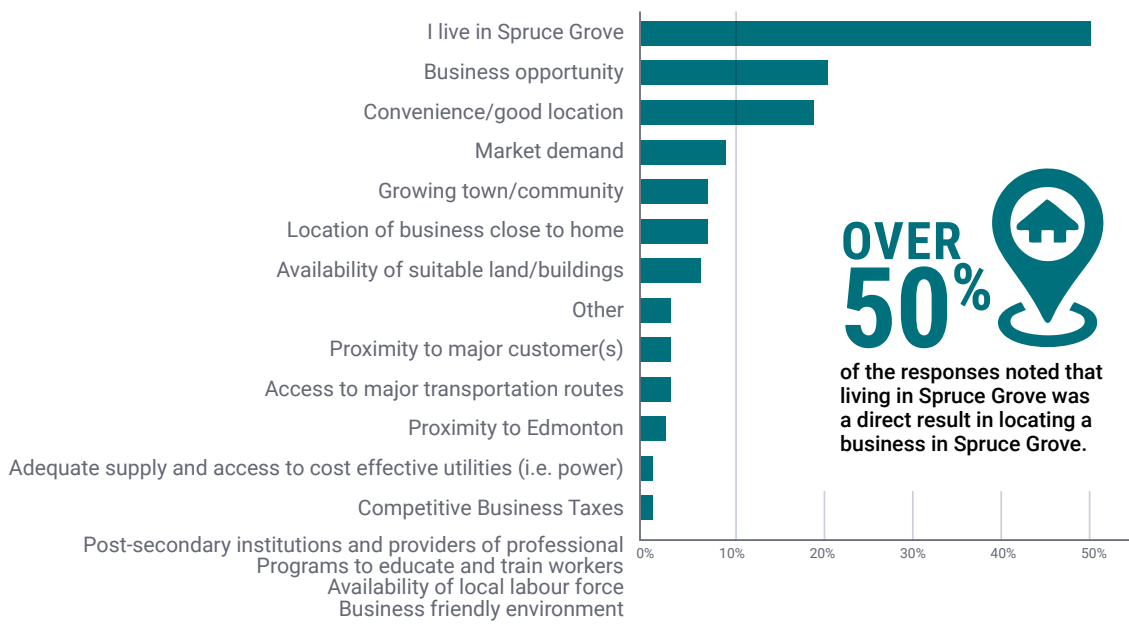
BUSINESS SURVEY

Forum Research, a nationwide polling firm, conducted a business survey designed to collect insight on the city's business climate and opinions on economic growth. The survey was cross-tabulated across perspectives from the industrial business community, the retail community, and the commercial-office business community. 150 Spruce Grove businesses participated in this survey and the results are captured in a summarized format.



Business Climate

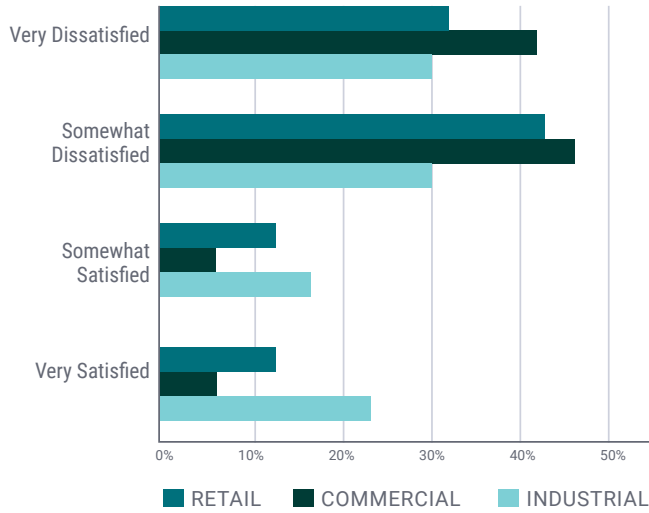
1 WHAT ARE THE KEY FACTORS THAT LED TO THE DECISION TO OPERATE OR LOCATE YOUR BUSINESS IN SPRUCE GROVE? (N=150)



OVER 50% of the responses noted that living in Spruce Grove was a direct result in locating a business in Spruce Grove.

2

HOW WOULD YOU RATE YOUR SATISFACTION WITH THE LEVEL AND QUALITY OF HIGH SPEED INTERNET (FIBRE) IN SPRUCE GROVE? (N=125)



Business Climate



Overall, businesses are unsatisfied with the level and quality of high speed internet, with only 40% of industrial businesses either somewhat satisfied or very satisfied and only 12% of commercial businesses are satisfied.

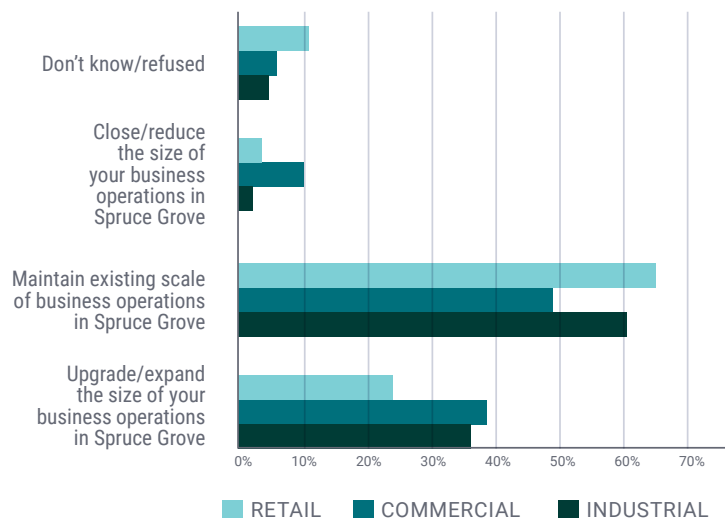
10%
of commercial businesses are planning to close/reduce

37%
of commercial businesses are planning to upgrade/expand



3

IN THE NEXT TWO YEARS, DO YOU PLAN ON UPGRADING/EXPANDING, MAINTAINING OR CLOSING/REDUCING THE SIZE OF YOUR BUSINESS IN SPRUCE GROVE? (N=150)



Business Growth



Overwhelmingly, businesses agree that Spruce Grove is a good location for businesses to locate.

Businesses in Spruce Grove agree that the city should actively pursue more commercial and industrial growth.

While the majority of respondents in all sectors agreed that Spruce Grove should pursue more residential development, commercial offices were least likely to agree.

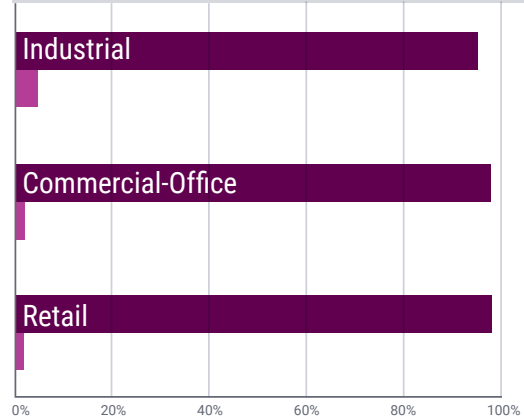
■ AGREE ■ DISAGREE



Do you **AGREE** or **DISAGREE** that...

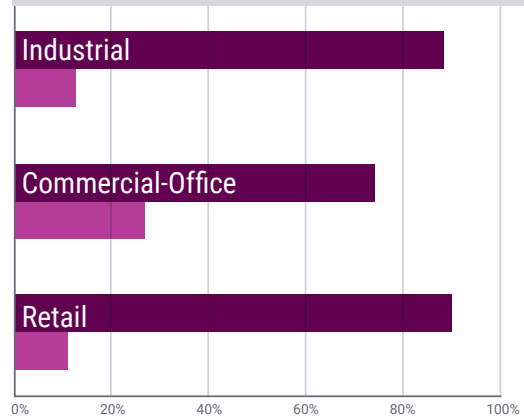
4

SPRUCE GROVE IS A GOOD LOCATION FOR A BUSINESS TO LOCATE? (N=149)



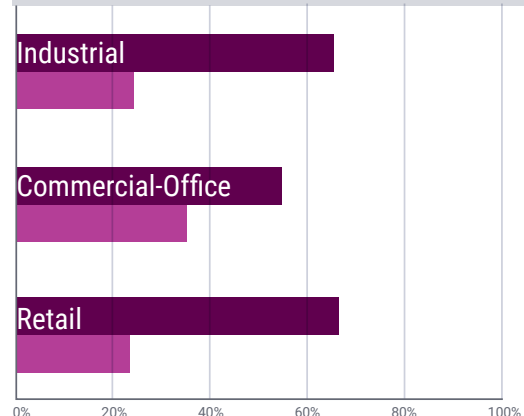
5

SPRUCE GROVE NEEDS TO ACTIVELY PURSUE MORE COMMERCIAL/INDUSTRIAL GROWTH? (N=144)



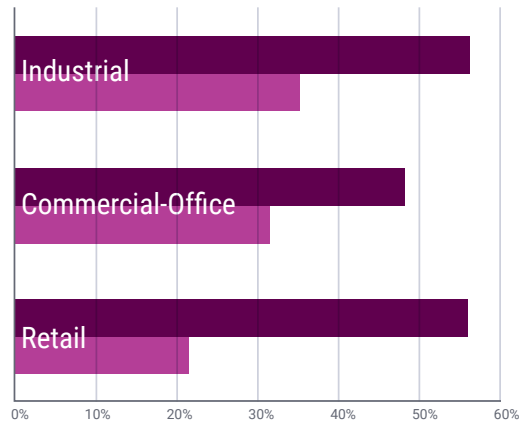
6

SPRUCE GROVE NEEDS TO ACTIVELY PURSUE MORE RESIDENTIAL GROWTH? (N=137)



Do you **AGREE** or **DISAGREE** that...

7 SPRUCE GROVE NEEDS TO PLACE A HIGH PRIORITY ON DEVELOPING MORE RECREATION/LEISURE/SPORT FACILITIES? (N=141)

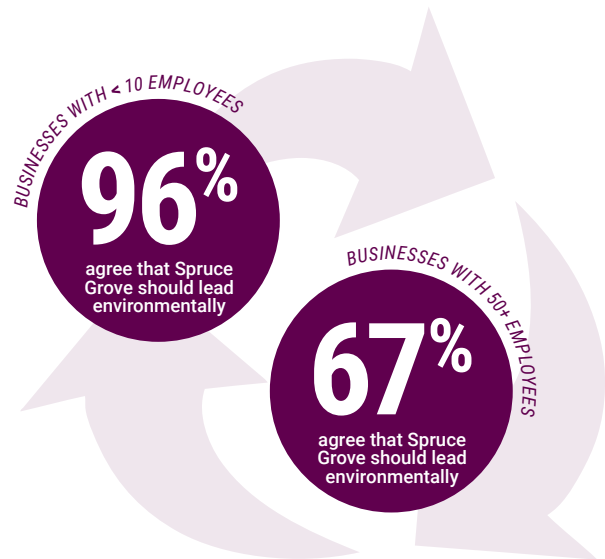


8 SPRUCE GROVE SHOULD BE AN ENVIRONMENTAL LEADER THROUGH WATER CONSERVATION, RECYCLING, ETC.? (N=146)



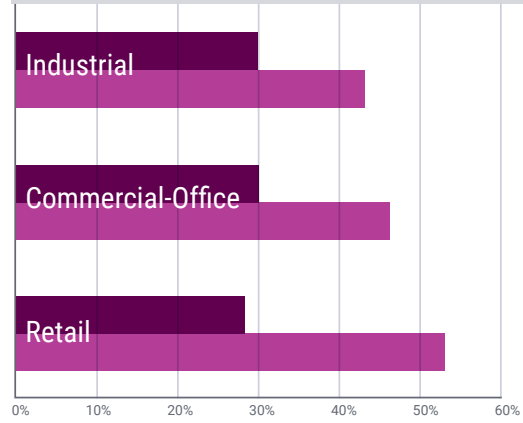
Overall, each category of businesses felt that the availability of land was not an important factor in expanding their businesses. Retail businesses (53%) are least impacted by the availability of land.

The majority of Industrial (56%) and Retail (55%) businesses agreed that the availability of skilled/semi-skilled workers was important. Only 48% of Commercial businesses agreed.

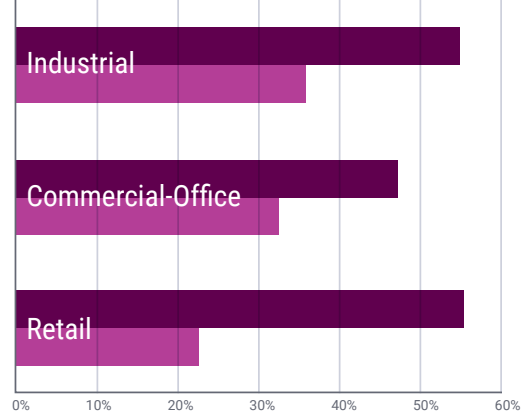


Rate **HOW IMPORTANT** each of the following are to expanding your business and its products:

9 AVAILABILITY OF LAND OR BUILDINGS (E.G. OFFICE, RETAIL, INDUSTRIAL) (N=147)



10 AVAILABILITY OF A SKILLED AND SEMI-SKILLED WORKFORCE (N=147)



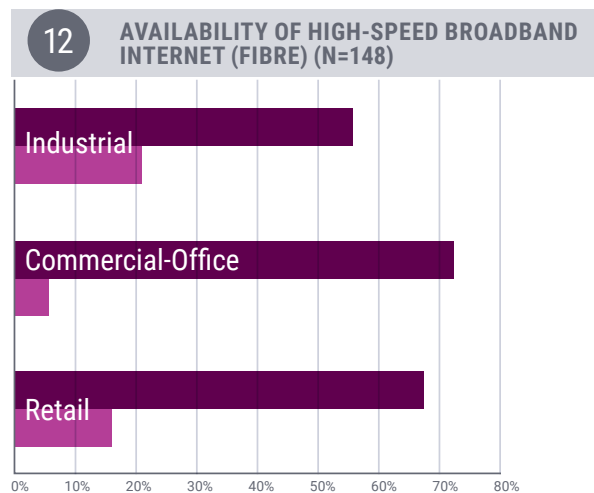
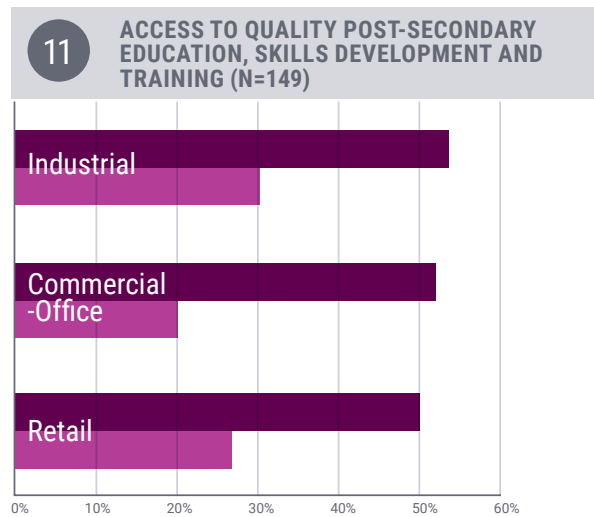
■ IMPORTANT ■ NOT IMPORTANT



Business Growth

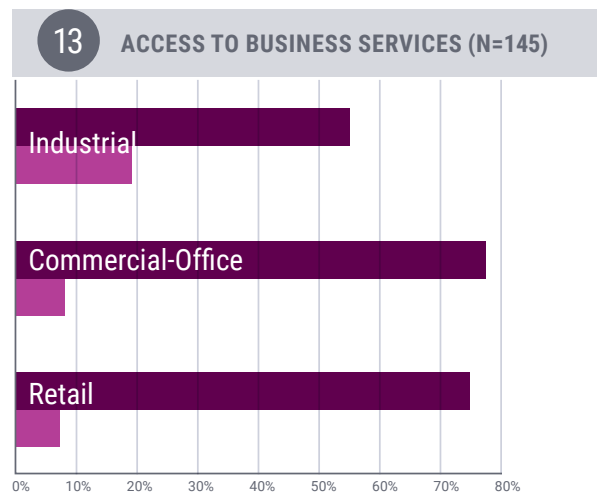
The majority of business categories felt that access to quality training and education is an important factor in business growth.

Rate **HOW IMPORTANT** each of the following are to expanding your business and its products:



Of the three categories, **INDUSTRIAL BUSINESSES** are least impacted by internet access (56%) and **BUSINESS SERVICES** (55%).

■ IMPORTANT ■ NOT IMPORTANT



Business Growth

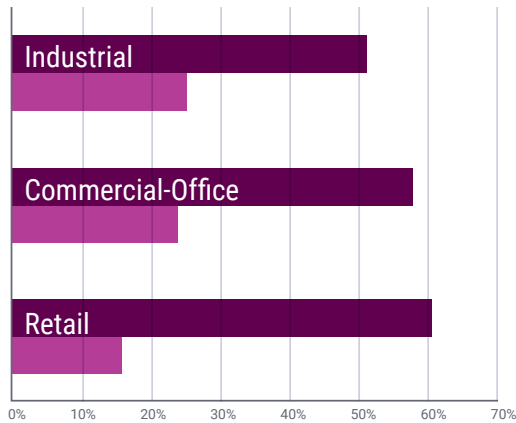
Rate **HOW IMPORTANT** each of the following are to expanding your business and its products:

Retail businesses (61%) are the most effected by access to financing. Industrial businesses (51%) are least effected.

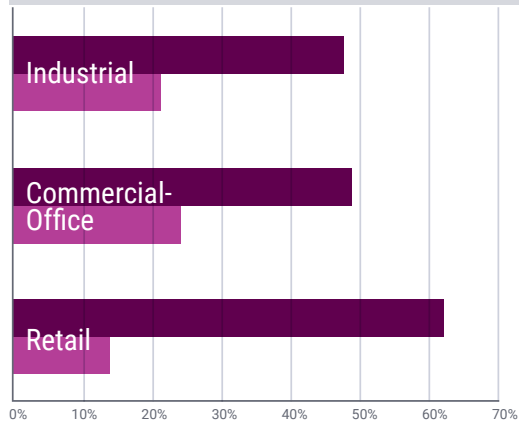
Retail businesses (63%) are the most effected by an efficient development environment. While commercial (49%) and industrial (48%) businesses are not as effected.

Not surprising, industrial businesses (50%) are the most effected by access to supply and market chains while retail businesses (37%) are the least effected.

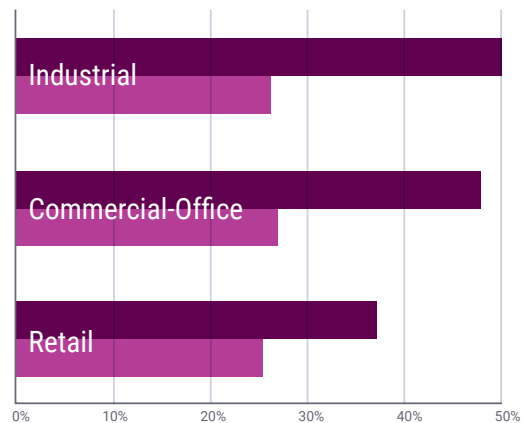
14 ACCESS TO FINANCING (N=149)



15 EFFICIENT DEVELOPMENT ENVIRONMENT (FOR EXPANSION APPROVALS, NEW DEVELOPMENT, ETC.) (N=147)



16 PROXIMITY TO SUPPLY AND/OR MARKET CHAINS (N=137)



Rate **HOW IMPORTANT** each of the following are to expanding your business and its products:

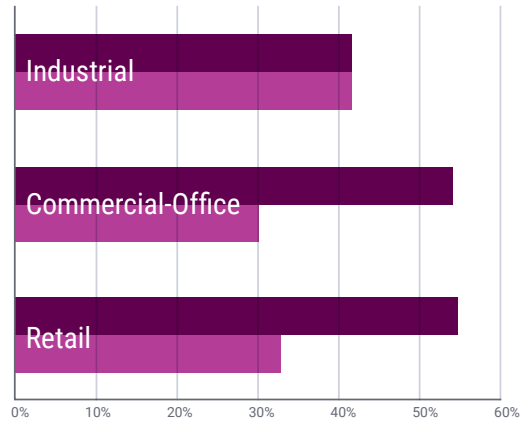
Interestingly, industrial businesses had felt equally strongly (41%) regarding the impact of access to public transit on business growth. 55% of retail businesses felt that access to public transit impacts their growth.

Each business category felt that Spruce Grove's location was an asset for business growth. 60% of industrial businesses and 70% of retail businesses agreed that this was an important factor.

Smaller businesses are most impacted by access to the growing retail trade area compare to businesses with 10 or more employees.

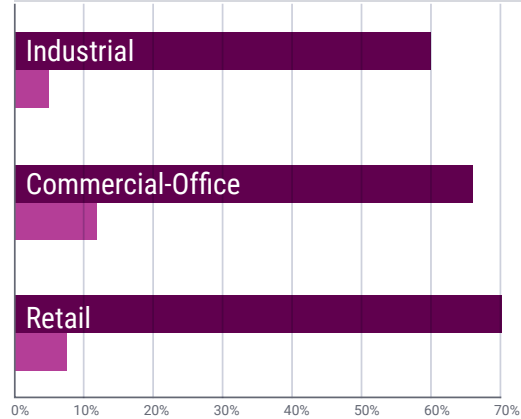
17

ACCESS TO PUBLIC TRANSIT (N=146)



18

SPRUCE GROVE'S STRATEGIC LOCATION (N=143)



19

ACCESS TO A GROWING RETAIL TRADE AREA (N=147)



■ IMPORTANT ■ NOT IMPORTANT



Business Growth

Each business category felt that Spruce Grove's location was an asset for business growth.

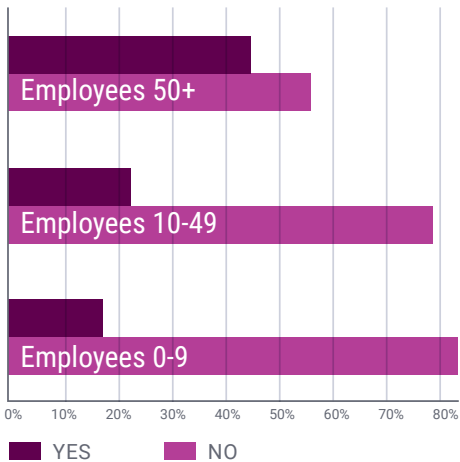


AGREED that this was an important factor.



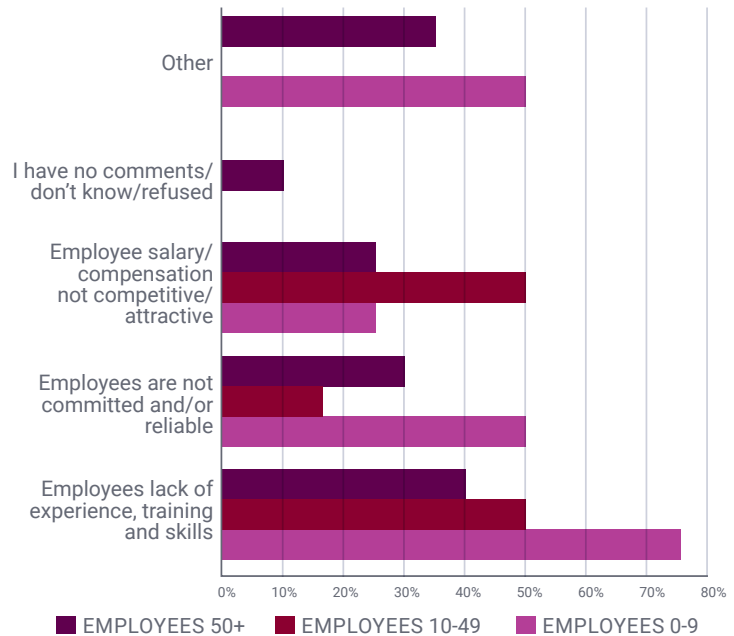
20

HAVE YOU HAD ANY ISSUES ATTRACTING AND/OR RETAINING QUALIFIED EMPLOYEES IN THE PAST 12 MONTHS? (N=150)



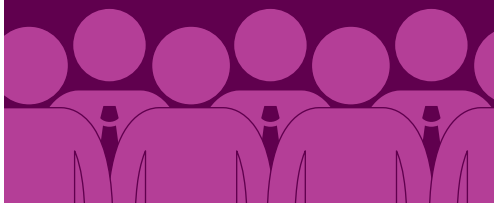
21

WHAT WOULD YOU SAY HAVE BEEN THE MAIN CHALLENGES TO ATTRACTING AND/OR RETAINING QUALIFIED EMPLOYEES? (N=30)



70%

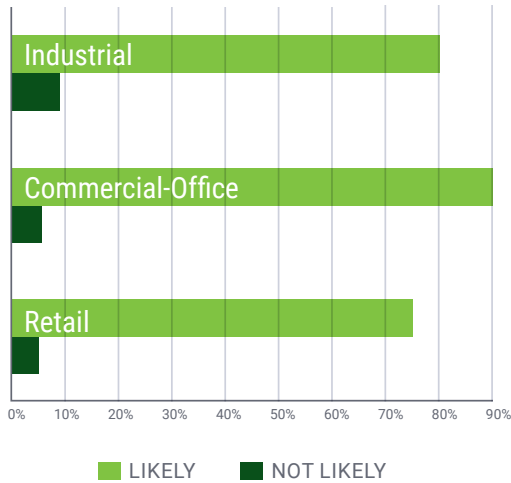
of businesses with less than 10 employees indicated that lack of experience/training/skill was the main challenge in attracting and/or retaining qualified workers.



Community Perception

22

HOW WOULD YOU RATE YOUR LIKELIHOOD TO RECOMMEND SPRUCE GROVE AS A PLACE TO DO BUSINESS? (N=150)



COMMERCIAL BUSINESSES
90%
of commercial businesses recommend Spruce Grove as a place to do business.

Only **75%** of retail businesses said they would recommend the community;

80% of industrial businesses are likely to.

23

IN TERMS OF INVESTMENT ATTRACTION, ARE THERE SPECIFIC SECTORS OR BUSINESS OPPORTUNITIES THAT YOU BELIEVE THE CITY SHOULD PURSUE? (N=150)



While the majority of respondents did not indicate a response, public services and commercial development were believed to hold the largest opportunity for Spruce Grove.

Business Profile

The majority of industrial (35%) and commercial (33%) businesses have operated in Spruce Grove for more than 10 years, while the majority of retail businesses (38%) have only operated for 2 to 5 years in the community.



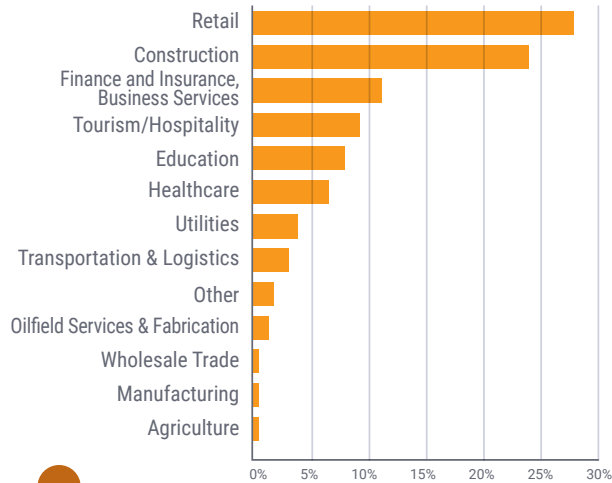
OF THE BUSINESSES SURVEYED
28%
operate in the RETAIL INDUSTRY

OF THE BUSINESSES SURVEYED
24%
operate in the CONSTRUCTION INDUSTRY



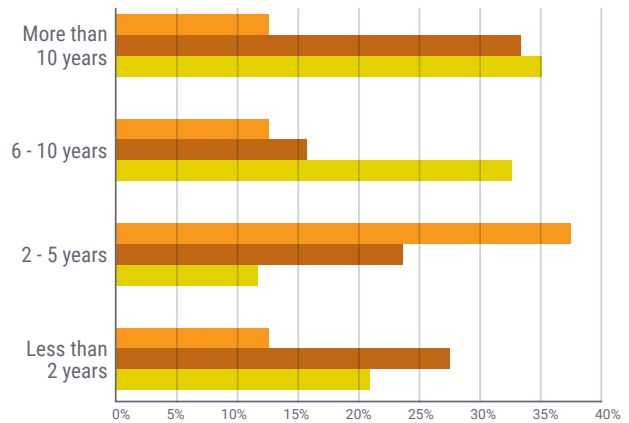
24

IN TERMS OF INVESTMENT ATTRACTION, ARE THERE SPECIFIC SECTORS OR BUSINESS OPPORTUNITIES THAT YOU BELIEVE THE CITY SHOULD PURSUE? (N=150)



25

HOW LONG HAS YOUR BUSINESS OPERATED IN SPRUCE GROVE? (N=150)

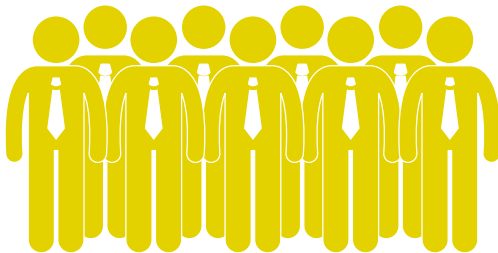


51%

of commercial businesses operate as self-employed workers.

46%

of retail businesses operate with 1-4 employees.

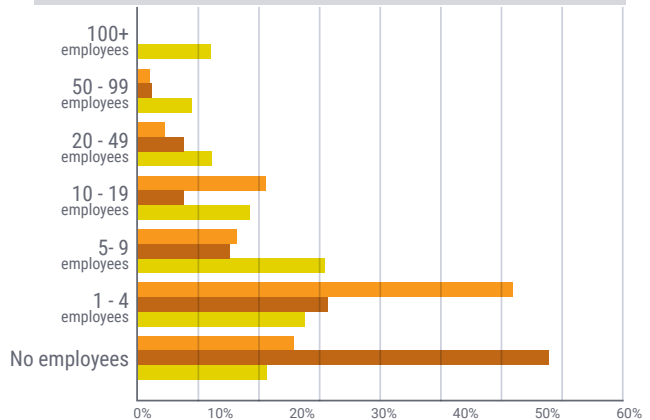


23%

of industrial businesses operate with 5-9 employees.

26

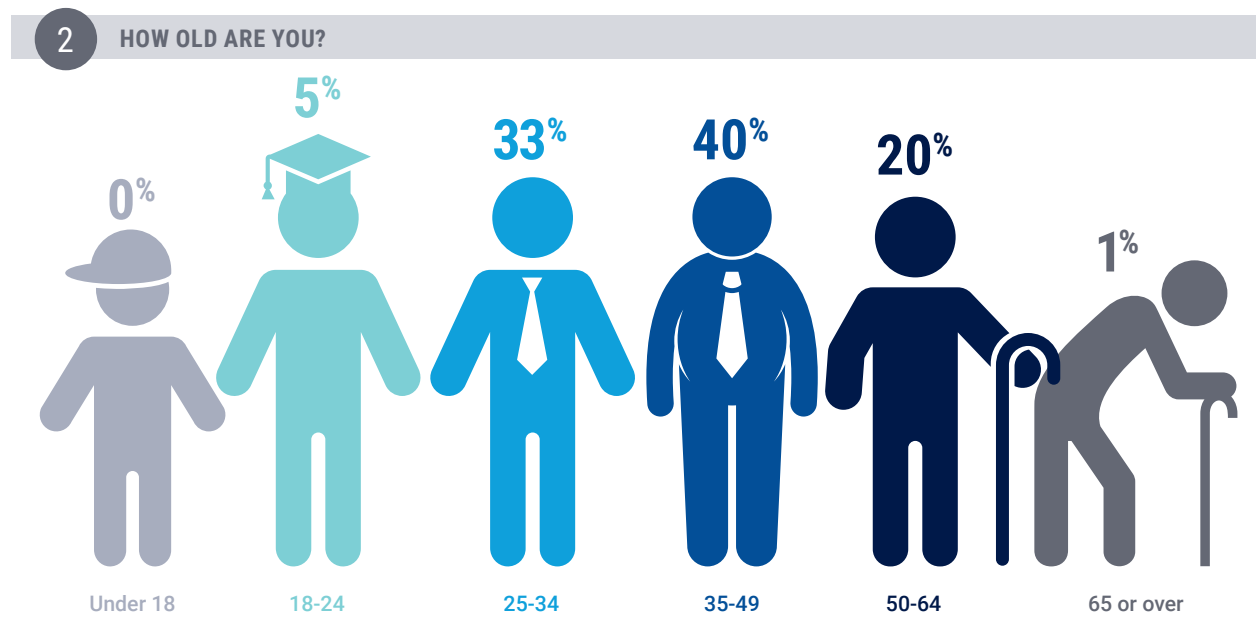
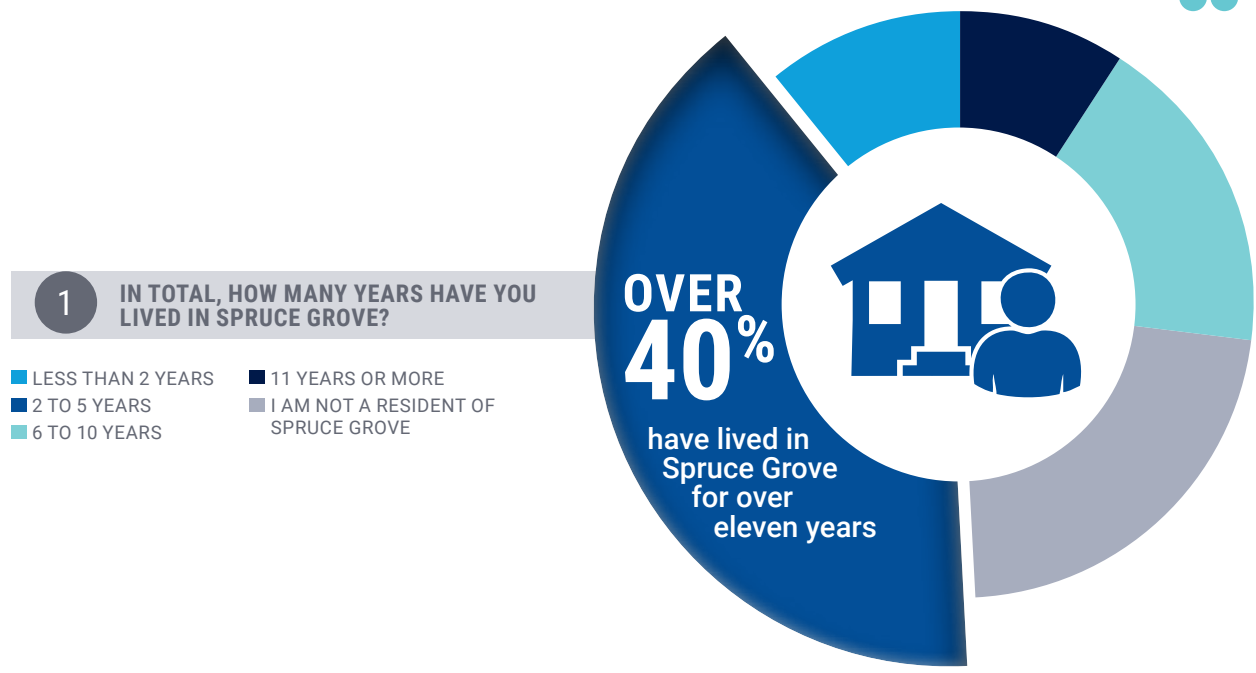
APPROXIMATELY HOW MANY PEOPLE DO YOU EMPLOY (NOT INCLUDING YOURSELF)? (N=150)



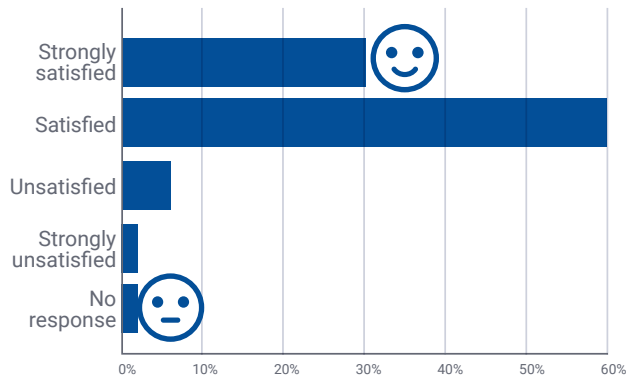
■ RETAIL ■ COMMERCIAL-OFFICE ■ INDUSTRIAL

COMMUNITY SURVEY

A community survey was designed to collect insight from Spruce Grove residents on the perceptions of the city's economic growth and aspirations associated with future development. The survey had over 200 residents participate. The following results are captured in a summarized format.



3 HOW DO YOU GENERALLY FEEL ABOUT SPRUCE GROVE AS A PLACE TO LIVE?



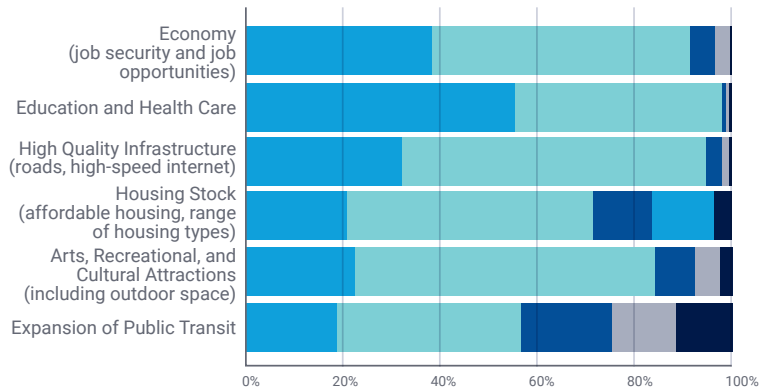
ALMOST 90% are satisfied living in Spruce Grove



THE MAJORITY RANKED EDUCATION & HEALTH CARE

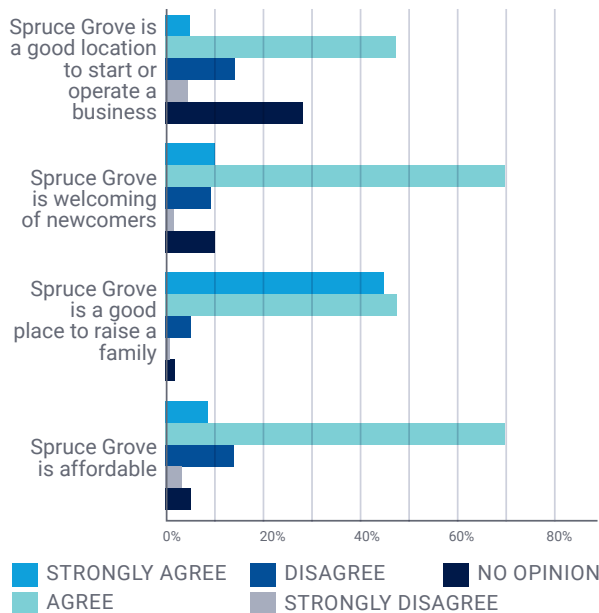
MOST IMPORTANT

4 IN YOUR OPINION, HOW IMPORTANT ARE EACH OF THE FOLLOWING: (MOST IMPORTANT - LEAST IMPORTANT)



■ MOST IMPORTANT
 ■ NO OPINION
 ■ LEAST IMPORTANT
■ IMPORTANT
 ■ UNIMPORTANT

5 IN YOUR OPINION, HOW IMPORTANT ARE EACH OF THE FOLLOWING: (MOST IMPORTANT - LEAST IMPORTANT)



MOST PEOPLE AGREE

Spruce Grove is both welcoming of newcomers and affordable.

6

WHAT DISTINCTIVE ASSETS OR ADVANTAGES IN SPRUCE GROVE CAN ASSIST IN BUILDING A STRONG AND SUSTAINABLE ECONOMY?

(e.g. rapid growing population, recreational amenities, well-developed commercial base, proximity to Edmonton). If no comment, please leave the fields blank.

7

WHAT IS YOUR LONG-TERM ECONOMIC VISION FOR THE CITY OF SPRUCE GROVE?

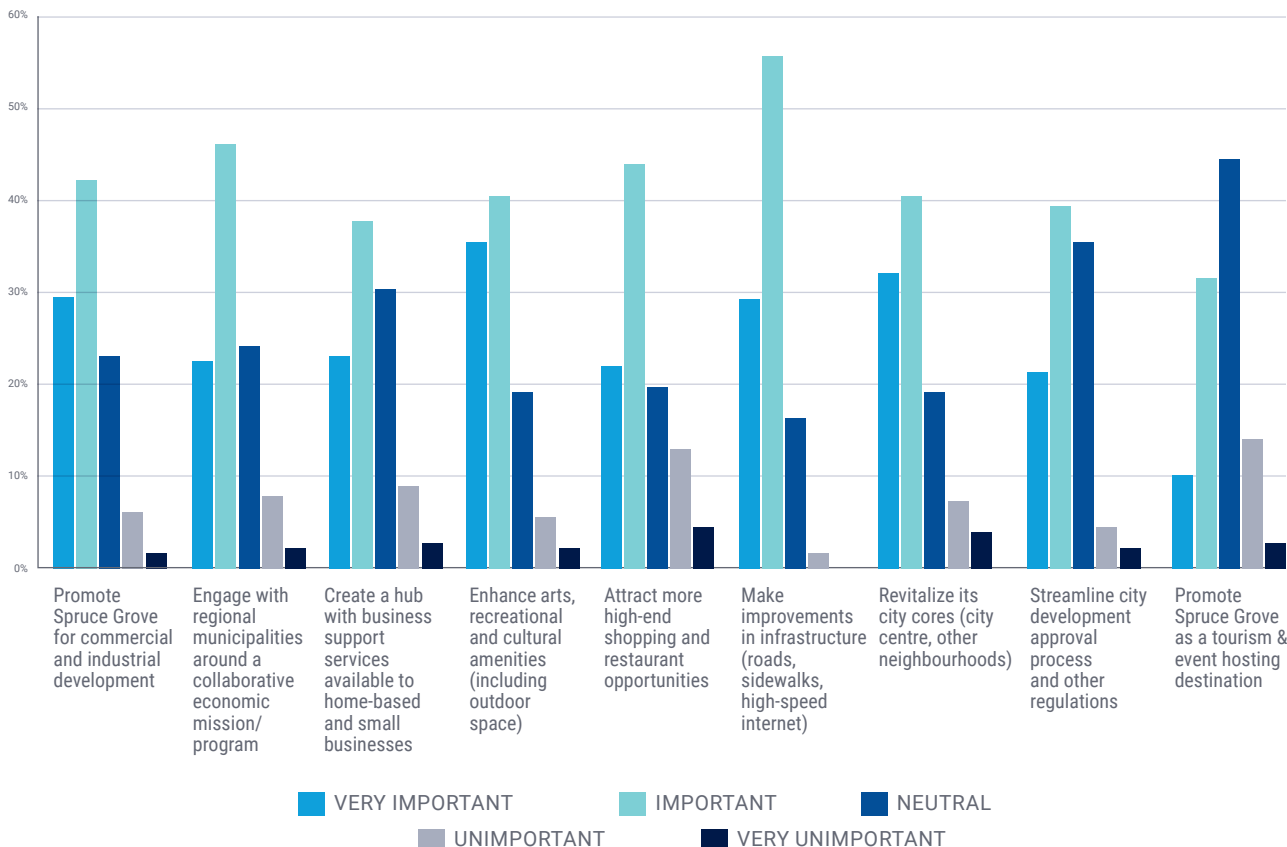
(e.g. family focused community, community build out of recreational facilities and activities, continued population growth, community with diverse job opportunities).



56% surveyed reported that making improvements in infrastructure is important

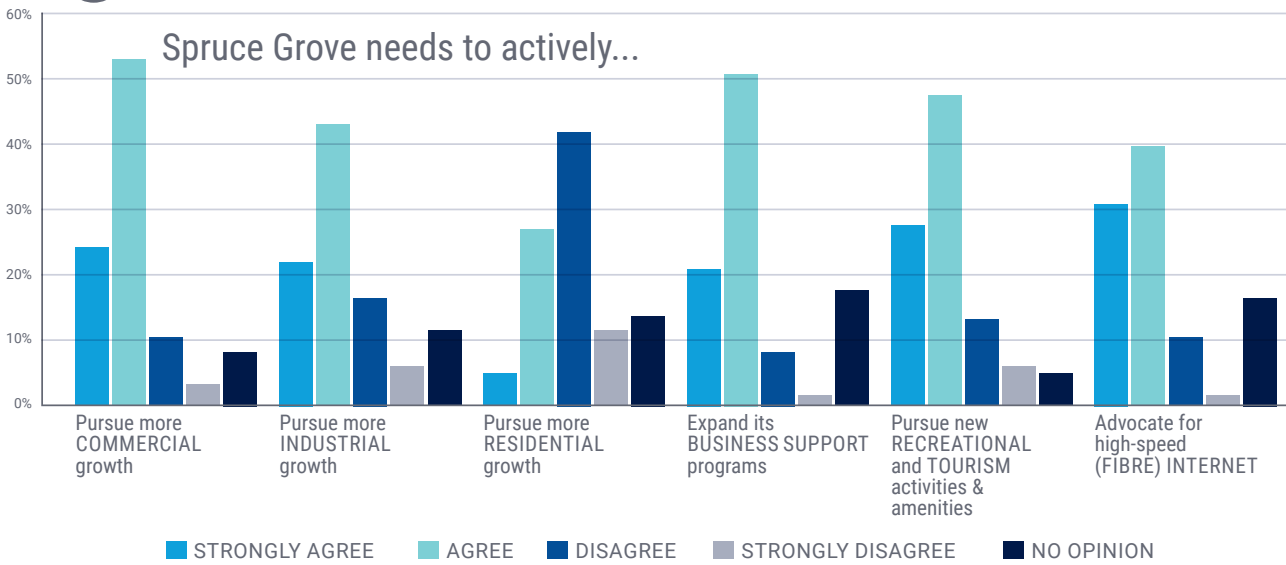
8

WHICH OF THE FOLLOWING ROLES AND ACTIONS ARE MOST IMPORTANT FOR THE CITY TO TAKE TO SUPPORT YOUR ECONOMIC VISION FOR SPRUCE GROVE? PLEASE RATE THE FOLLOWING.



9

INDICATE TO WHAT LEVEL YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS?



10

HOW ACTIVE SHOULD THE CITY BE IN ATTRACTING NEW ECONOMIC GROWTH AND EMPLOYMENT?

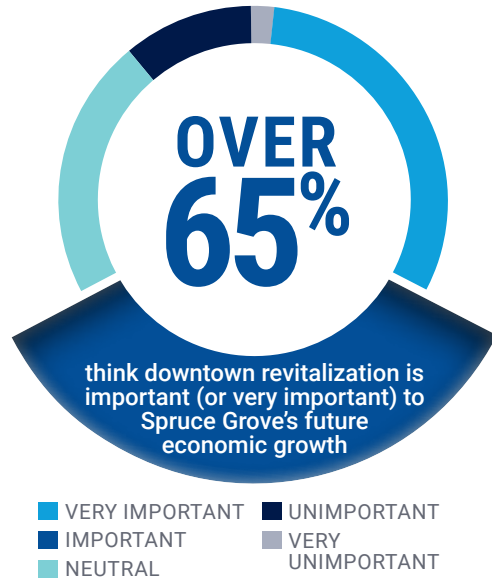


OVER 60%

would like the city to be more active in attracting new economic growth and employment

11

HOW IMPORTANT IS DOWNTOWN REVITALIZATION TO FUTURE ECONOMIC GROWTH AND CREATING A SENSE OF COMMUNITY?



12

WHAT DO YOU CONSIDER TO BE THE GREATEST PRIORITY FOR SPRUCE GROVE TO STIMULATE ECONOMIC GROWTH AND BUSINESS INVESTMENT IN THE NEXT 3 YEARS?

NO DATA PROVIDED





