

ECONOMY & TOURISM INVENTORY

An Assessment of the Economy and Tourism Industry
in the City of Lethbridge



CITY OF
Lethbridge

City of Lethbridge
Planning and Development Services
September, 2018



Acknowledgement Statement

The City of Lethbridge acknowledges that the place we now call Lethbridge has for many generations had another name given to it by the Siksikaitapi, the Blackfoot peoples. The name is Sikóóhкотok, a reference to the black rocks found in the area.

The City of Lethbridge is located in the traditional territory of the Blackfoot Peoples, and within Treaty 7 lands. The City of Lethbridge is also home to the Metis Nation of Alberta, Region III. We pay respect to all Indigenous peoples past, present and future, by recognizing and respecting their cultural heritage, beliefs, inherent rights and relationship to the land.





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Acknowledgement

The City of Lethbridge would like to thank the following people for their time and assistance in preparing this report.

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Executive Summary

In 2014, the Province of Alberta adopted the South Saskatchewan Regional Plan (SSRP). The SSRP sets the stage for strong and sustained growth, vibrant communities and a healthy environment within the region over the next 50 years. With that long-term horizon in mind, the SSRP identifies strategic directions for the region over the next 10 years, focusing on eight broad outcome areas, including: economy, air, biodiversity, water, efficient land use, outdoor recreation and historic resources, aboriginal peoples, and community development. The City of Lethbridge and the other municipalities within the region are required by the Province of Alberta to be in compliance with the SSRP by August 31, 2019.

In order to demonstrate compliance with the SSRP, the City of Lethbridge is undertaking a series of comprehensive data gathering projects under the umbrella of the **SSRP Compliance Initiative**. The Initiative is composed of four separate comprehensive data gathering strategies that seek to understand our legislative requirements, assess our baseline, and recommend implementation strategies towards achieving one or more of the SSRP outcomes. The four components within the SSRP Compliance Initiative include:

- i) Efficient Land Use Strategy (ELUS)
- ii) Environment and Historic Resources Strategy (EnvS)
- iii) Economy and Tourism Inventory (ETI)
- iv) Relationship Inventory (RelI)

The SSRP Compliance Initiative itself does not demonstrate SSRP compliance; however, upon completion, the Initiative will provide a thorough background report and baseline understanding of our community, and will be used to review and update the Integrated Community Sustainability Plan/Municipal Development Plan (ICSP/MDP) which was last updated in 2010.

The Economic and Tourism Inventory (ETI) will provide the necessary background information, baseline data, and proposed direction to ensure that the ICSP/MDP update can include tangible and measurable goals and targets.

The ETI's intent is to suggest methods in which the local economy can be resilient and continue to grow over the long term horizon understanding our land base while respecting our environmental, historical and traditional knowledge assets and resources.

The ETI will take an interdisciplinary approach in exploring outcomes which are specific to the Lethbridge economy with the methodology comprised of the following:

- Lethbridge Gross Domestic Product (GDP)
- Inventory of Major Projects
- Non-Residential Development by Sector
- Building Permits
- Existing Linear Infrastructure Corridors
- Lethbridge Total Employment and Distribution
- Employment by Industry
- Distribution of Employment by Industry



- E-Commerce
- Renewable Energy
- Tourism
- Hotel Occupancy

To explore the outcomes that are specific to the Lethbridge Economy the ETI will is structured as follows:

Chapter 1 | Background and Introduction

The Background and Introduction provides describes the legislative framework and how this will guide the ETI. It will also provide historical and current information about the local economy.

Chapter 2 | Baseline Data

The main outcome of this part is to prepare a baseline report. This will look at previous and existing indicators for the local economy, including previous cycles in employment and construction to establish a collection of data that can be updated in subsequent years. Where possible these indicators will be based upon either sector or neighbourhood within the City as this chapter will consider the location of existing economic assets within the City.

Chapter 3 | Projections

Future projections of economic indicators and assets will be included at this stage. This can include projections done by external agencies, such as the Conference Board of Canada or the Government of Alberta or can include projections on population and employment that have been completed by the City of Lethbridge or a consultant that the City has hired.

The location of where in the City that this future economic activity will most likely occur will also be identified in this section.

Chapter 4 | Strength, Weakness Opportunity, Threats

This Phase focuses on making sense of the information provided in Phases 1 and 2. To do so it will include a Strength, Weakness Opportunity, Threat (SWOT) Analysis that is focused on assembling the existing strengths, weaknesses and the expected opportunities and threats for the local economy and tourism industry. Any perceived threats and opportunities for the location of economic assets within the City will be identified through this SWOT Analysis.

Chapter 5 | Economy and Tourism Inventory Considerations

This chapter is the goal setting and implementation stage of the Economy and Tourism Inventory. The information gathered in all of the previous phases will have painted a detailed picture of our local economy and tourism industry to establish considerations for the review of the MDP.

The following table presents the relevant SSRP outcomes and considerations of the ETI as an easy reference. Greater detail on the recommendations, including a discussion on the rationale and implementation mechanisms, is found in Chapter 5 of this report.



Economy and Tourism Inventory Considerations

SSRP Outcome - Economy	<i>ENSURE THAT LETHBRIDGE MAINTAINS A DIVERSE ECONOMY AND REMAINS A HUB FOR AGRICULTURAL-RELATED BUSINESSES AND INDUSTRIES.</i>
	<i>ENCOURAGE AND FACILITATE THE INSTALLATION OF RENEWABLE ENERGY THAT IS COST EFFECTIVE.</i>
	<i>INCLUDE THE NEEDS OF ELECTRICAL TRANSMISSION FACILITIES IN PLANNING DOCUMENTS.</i>
	<i>EFFECTIVELY PLAN FOR LINEAR INFRASTRUCTURE CORRIDORS TO CONTAIN MULTIPLE FORMS OF MAJOR INFRASTRUCTURE, SUCH AS ARTERIAL ROADWAYS, ELECTRICAL TRANSMISSION LINES, HIGH PRESSURE GAS PIPELINES AND SANITARY SEWER TRUNKS ETC., WHERE POSSIBLE</i>
	<i>EXPAND THE ABILITY TO HOST BUSINESS EVENTS IN THE CITY</i>
	<i>UTILIZE LETHBRIDGE'S UNIQUE ECONOMIC ATTRIBUTE AS AN AGRICULTURAL HUB TO BOOST TOURISM</i>
	<i>PROVIDE OPPORTUNITIES TO SHARE UNIQUE CULTURAL EXPERIENCES WITH VISITORS THROUGH THE REGION'S INDIGENOUS HERITAGE AND CULTURE</i>
	<i>ENCOURAGE THE ESTABLISHMENT OF HOTELS IN WEST LETHBRIDGE AND A LUXURY HOTEL IN DOWNTOWN LETHBRIDGE.</i>
SSRP Outcome – Community Development	<i>CONSIDER THE IMPACT THAT E-COMMERCE WILL HAVE UPON THE COMMERCIAL LANDSCAPE OF THE CITY.</i>
	<i>CONSIDER THE IMPACT THAT THE POTENTIAL DEVELOPMENT AT AND AROUND THE AIRPORT WILL HAVE ON FUTURE COMMERCIAL AND INDUSTRIAL DEVELOPMENT.</i>
	<i>SUPPORT ADDITIONAL NEW NON-RESIDENTIAL DEVELOPMENT AND EMPLOYMENT IN WEST LETHBRIDGE AND SOUTH LETHBRIDGE.</i>
	<i>ENCOURAGE THE DEVELOPMENT OF NON-RESIDENTIAL LAND USES THAT ARE APPROPRIATE CONSIDERING THE AREA OF THE CITY THEY ARE TO BE LOCATED IN.</i>



Chapter 1: Background and Introduction

1.1 Introduction

In 2014, the Province adopted the South Saskatchewan Regional Plan (SSRP), the second regional plan in the Province (the Lower Athabasca Regional Plan was adopted in 2012). The SSRP sets the stage for planned urban growth, vibrant communities and a healthy environment within the region over the next 50 years. With that long-term horizon in mind, the SSRP identifies strategic directions for the region over the next 10 years and includes eight broad outcomes and a series of components to achieve them. The eight outcome areas include: **economy**, air, biodiversity, water, efficient land use, outdoor recreation and historic resources, aboriginal peoples, and **community development**. The City of Lethbridge and the other municipalities within the region are required by the Province of Alberta (Land Use Secretariat) to be in compliance with the SSRP by August, 2019.

In order to demonstrate compliance with the SSRP, the City of Lethbridge has completed a holistic data gathering project called the **SSRP Compliance Initiative**. The Initiative is composed of four separate comprehensive components, each of which seeks to understand our legislative requirements, assess our baseline, and create considerations towards achieving one or more of the SSRP outcomes. The four components within the SSRP Compliance Initiative include:

- i) Efficient Land Use Strategy (ELUS)
- ii) Environment & Historic Resources Strategy (Envs)
- iii) Economy and Tourism Inventory (ETI)
- iv) Relationships Inventory (REI)

The SSRP Compliance Initiative in itself does not demonstrate SSRP compliance, however upon completion, the Compliance Initiative will provide a thorough background report and baseline understanding of our community.



1.2 Legislative Framework

This section provides an outline of the existing planning legislation and policy framework that directly impacts the preparation of the Economic & Tourism Inventory (ETI). The legislation is multi-layered, and includes provincial land use planning legislation as well as municipal statutory and non-statutory plans, bylaws and guidelines.

Community planning in Lethbridge is conducted and administered within a series of plans and bylaws. These include the South Saskatchewan Regional Plan (SSRP), Integrated Community Sustainability Plan/Municipal Development Plan (ICSP/MDP), Secondary Plans (Area Structure Plans and Area Redevelopment Plans), Outline Plans, Land Use Bylaw, and implementation tools such as Master Plans and guidelines.

The imperative for the SSRP Compliance Initiative and the ETI comes from the SSRP, and specifically the City of Lethbridge’s legal requirement to be in compliance with the SSRP by August 2019.

The following sections summarizes the legislative framework. It is not exhaustive, however provides a general landscape within which to situate the ETI.



Figure 1 - Planning Legislation Hierarchy

1.2.1 ALBERTA LAND USE FRAMEWORK AND ALBERTA LAND STEWARDSHIP ACT

The Land Use Framework (LUF, 2008) is a policy and visioning document that sets out a management framework for land use in Alberta. The LUF is based on the premise that there exist significant and often multiple competing interest for our finite land base, including “oil and gas, forestry and mining, agriculture and recreation, housing and infrastructure.” Competing demands on our limited supply of land, air and water in the province poses a significant environmental, social and economic challenge that must be addressed through effective management.

LUF Vision Statement: Albertans work together to respect and care for the land as the foundation of our economic, environmental and social well-being.

The LUF envisions the creation of regional planning areas throughout the province, based on watershed boundaries, to enable the achievement of the stated outcomes in such a way that respects local landscapes, values and realities. The LUF describes the creation of a dedicated Land Use Secretariat to oversee the creation of seven Regional Plans and to manage their ongoing implementation.



The Alberta Land Stewardship Act (ALSA, 2009) is the implementing legislation for the LUF. ALSA creates the legislative authority for the province to undertake the creation of Regional Plans through the Land Use Secretariat. LUF also replaces the previous provincial Land Use Principles.

All municipal bylaws, and many pieces of provincial legislation are now required to be in compliance with the ALSA, including the Municipal Government Act (MGA, 2018).

1.2.2 SOUTH SASKATCHEWAN REGIONAL PLAN

The SSRP was adopted in September, 2014 and municipalities have five years within which to submit a statutory declaration indicating compliance with the SSRP. At the end of those five years, by August 2019, all municipal plans, bylaws and regulations must be in compliance with SSRP.

Within our watershed, the SSRP is the vehicle for implementing the vision and outcomes of the LUF. The South Saskatchewan Region contains 15 municipal districts, one specialized municipality, five cities, 29 towns, 23 villages, two summer villages, and seven First Nations, and covers an area of over 84,000 square kilometers.



Figure 2 - Regional Planning Areas (Source: Land Use Secretariat)



OUTDOOR RECREATION AND HISTORIC RESOURCES

The quality of life of residents is enhanced through increased opportunities for outdoor recreation and the preservation and promotion of the region's unique cultural and natural heritage.

ABORIGINAL PEOPLES

Aboriginal peoples are included in land-use planning.

COMMUNITY DEVELOPMENT

Community development needs are anticipated and accommodated.

As previously mentioned, the Economy and Tourism Inventory (ETI) is part of a series of four components that will comprise the SSRP Compliance Initiative. Each of the component projects will align with one or more SSRP outcomes (listed above). The ETI project is designed to address two SSRP outcome areas: **Economy** and portions of **Community Development**.

SSRP – Economy

Outcome: The region's economy is growing and diversified.

Strategic Direction: Sustainable development wherein economic development takes into account environmental sustainability and social outcomes.

Agriculture

Applicable Objective:

- The region's agricultural industry is maintained and diversified.

Applicable Strategies:

- 1.3 Assist the agriculture and agri-food industry to maximize opportunities for value-added agricultural products.

By focusing on workforce development, investment attraction and domestic and international market development, the Government of Alberta will position the province as a competitive global supplier of agricultural products and services by enhancing and promoting Alberta's ability to provide safe and consistently dependable food in an environmentally and socially responsible manner. Toward achieving this goal, the Government of Alberta offers extension programs and services, research-based information and innovative business tools. Productivity enhancements, workforce development and new product development will be supported through federal provincial-territorial funding programs.

- 1.4 Support a business climate and complementary production and marketing approaches that recognize the contribution of local production in addition to existing domestic and international market opportunities for Alberta's agriculture, agri-food and agri-product sectors.

Marketing is typically focused on international buyers; however, consumer demand for local and domestic products has created opportunities for the agricultural industry. Continued



diversification of marketing opportunities is beneficial for the long-term sustainability of a successful agriculture, agri-food and agri-product sector in Alberta. Working with industry and non-governmental organizations, the Government of Alberta will continue to engage and collaborate on community and economic development, health, academic and agricultural supply chain disciplines to focus on multi-scale, commercially viable agricultural production.

Renewable Energy

Applicable Objectives:

- Opportunities for the responsible development of the region’s renewable energy industry are maintained in support of Alberta’s commitment to greener energy production and economic development.
- Value-added opportunities that enhance the sustainability of Alberta’s industries and communities are created.

Applicable Strategies:

- 1.9 Ensure policies are in place to promote and remove barriers to new investments in renewable energy (that is, wind, biofuels, solar, hydro) production.
- 1.10. Invest in the development, demonstration and deployment of renewable and alternative energy technologies targeted to improve Alberta’s overall energy efficiency. This will include support for the application of new technologies and support on-going research and development in partnership with other institutions.
- 1.11. Ensure reinforcement of the transmission system to enable more renewable power in the region.

Corridors for the Co-location of Linear Infrastructure

Applicable Strategies:

- 1.12. Ensure that opportunities for future routes and siting for pipeline gateways, transportation corridors and utility and electrical transmission corridors are maintained in the region and in consideration of the needs of adjacent Land-use Framework regions and provinces.
- 1.13. Work with municipalities, landowners and industry to explore multi-use corridors for co-location of linear infrastructure that supports critical economic linkages to markets for expanded access.

Tourism

Applicable Objective:

- The region is positioned as a world-class, year-round, tourism destination.

Applicable Strategies:



- 1.19 Enhance Tourism Destination Areas within the South Saskatchewan Region (Kananaskis, Canadian Badlands and Southwest Alberta) by engaging with aboriginal communities, municipalities, industry and local stakeholders.

The Canadian Badlands has developed a 2013-2016 destination management plan to develop, market and manage the region. The Kananaskis region has long been a significant destination for tourism but suffered a great deal of damage during the 2013 flood and rebuilding of the area is underway. The southwest region's potential will be assessed with future planning.

- 1.20 Work with municipalities, private investors and landowners to identify areas of high value for recreation and tourism and to encourage tourism investment and infrastructure development opportunities on identified lands.
- 1.21. Work with municipal governments and other partners to identify, establish and promote scenic byways in and around areas with high-quality attractions and recreation and tourism features. This would include routes, trails and waterways to create distinctive travel experiences and showcase the region's unique scenic resources and cultural landscapes.

SSRP – Community Development

Outcome: Community development needs are anticipated and accommodated.

Strategic Direction: Strengthening Communities.

Building Sustainable Communities

Applicable Objectives:

- Promote healthy and sustainable communities;
- Foster the establishment of land-use patterns for an orderly, economical, and beneficial development, as well as to maintain and improve the quality of the built environment.

Applicable Strategies:

- 8.11 Provide an appropriate mix of uses in an orderly, efficient, safe and economical manner.
- 8.12 Contribute to a healthy environment, a healthy economy and a high quality of life.
- 8.13 Provide a wide range of economic development opportunities, stimulate local employment growth and promote a healthy and stable economy. Municipalities are also expected to complement regional and provincial economic development initiatives.

In addition to the strategies described above, the SSRP also references the “*Alberta Economic Development Framework*” (aka “*Building on Alberta’s Strengths*”) document. The ultimate aim of this framework is for “Albertans to benefit from a prosperous provincial economy” and this framework focuses on the following four economic priorities:

- Expand Alberta’s presence and role in the global marketplace
- Solidify Alberta as a world centre for resource-based and resource related industries



- Foster clusters that offer high growth potential to broaden Alberta’s economic base
- Inspire entrepreneurs to innovate, commercialize and expand businesses across the province

1.2.3 INTEGRATED COMMUNITY SUSTAINABILITY PLAN/MUNICIPAL DEVELOPMENT PLAN

The ICSP/MDP is a comprehensive policy document which outlines the City of Lethbridge’s long term objectives and policies that guide future development within Lethbridge. The ICSP/MDP objectives and the related outcomes include:

2. A Prosperous City
 - I. Good Place to Open and Operate a Business
 - II. Financially Viable City
3. A Healthy and Diverse City
 - I. Range of Housing that Meets Everyone’s Needs
 - II. Welcoming and Diverse City
 - III. Opportunities for Personal Development and Social Well-being
 - IV. Safe City
4. A Culturally Vibrant City
 - I. Respects and Celebrates its History
 - II. Celebrates Arts and Culture
 - III. Supports Active Living
5. A Well Designed City
 - I. Compact City
 - II. Efficient and Effective Integrated Transportation Network
 - III. Walkable, Bicycle Friendly City
 - IV. Expanding in a Responsible Manner
 - V. Planned City that Exhibits Quality Urban Design
 - VI. Diverse Parks and Open Space System
 - VII. Strong and Vibrant Downtown
6. An Environmentally Responsible City
 - I. River Valley is the Primary Open Space System
 - II. Conserves Natural Resources
7. A City that Supports the Region
 - I. Strong Relationship with Neighboring Communities

The plan provides a framework for the creation of a safe, healthy, vibrant, prosperous, economically viable place where all people can fully participate in community life. Within this context the City is committed to creating a sustainable community through the promotion of six objectives that touch on many different aspects of what makes a community. Many of these outcomes are inter-related, however, for the purposes of the ETI the focus will be on Objective 1 – **A Prosperous City** (*Lethbridge is a Good Place to Open and Operate a Business and is a Financially Viable City*) and Objective 4 – **A Well Designed City** (*Lethbridge has a Strong and Vibrant Downtown*).



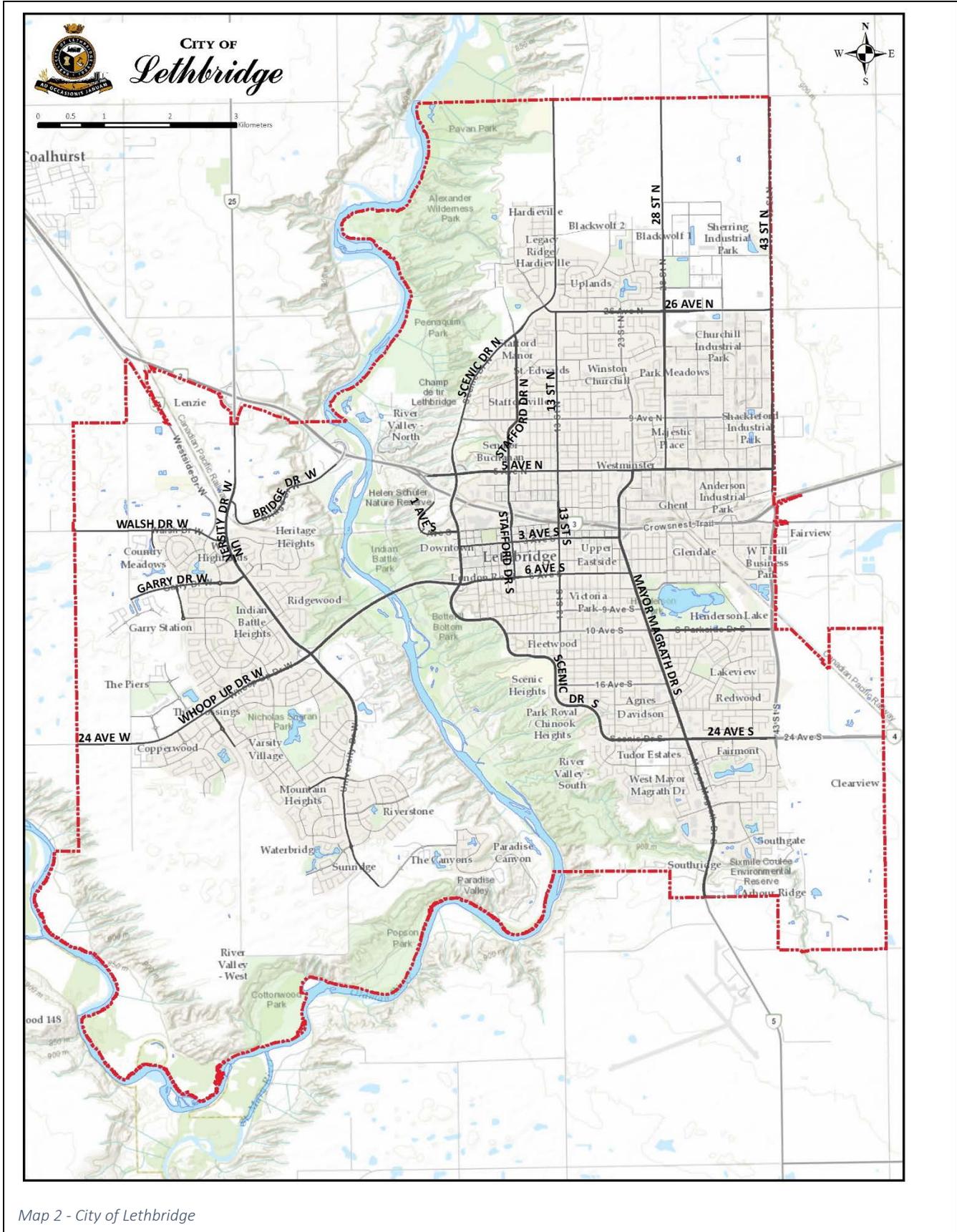
1.3 Geographical Context

The City of Lethbridge is located in southern Alberta, within the Oldman River sub-watershed basin and within the South Saskatchewan Region. Lethbridge is approximately 215km south of Calgary and 105km north of the Alberta/Montana border. According to the 2018 Municipal Census, Lethbridge remains the second largest municipality within the region, next to Calgary, in terms of population, with 99,769 residents.

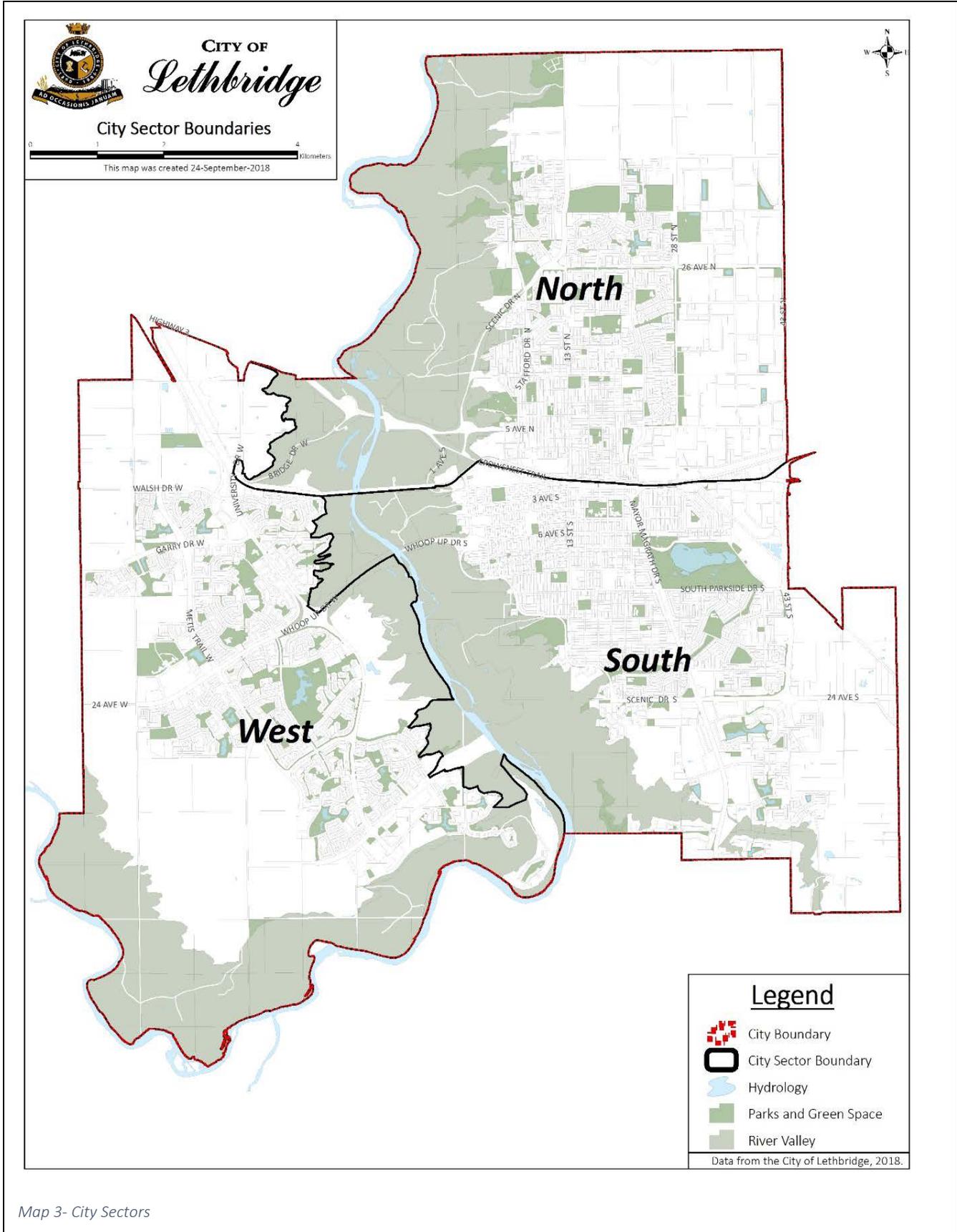
Lethbridge is situated on major transportation corridors including Highway 3, 4, 5, 25 and a CP rail line. The City of Lethbridge population continues to grow due to the diverse local economy, which has allowed the City to avoid the traditional boom and bust cycles associated with oil and gas experienced in other Alberta municipalities. Although traditional industries like agriculture and transportation will continue as primary economic drivers, increased efforts to support the knowledge-economy will continue to be crucial for growth in the future.

The basis for the information contained in this report is the boundaries of the City of Lethbridge. Where possible, the information contained in this report is presented on a City Sector or Neighbourhood scale. This is dependent upon what detail that the background information is available from external sources or what results being conveyed to the reader. Maps 2, 3 and 4 on the following pages show the boundaries for the City of Lethbridge, City Sectors and Neighbourhoods respectively.

ECONOMY & TOURISM INVENTORY

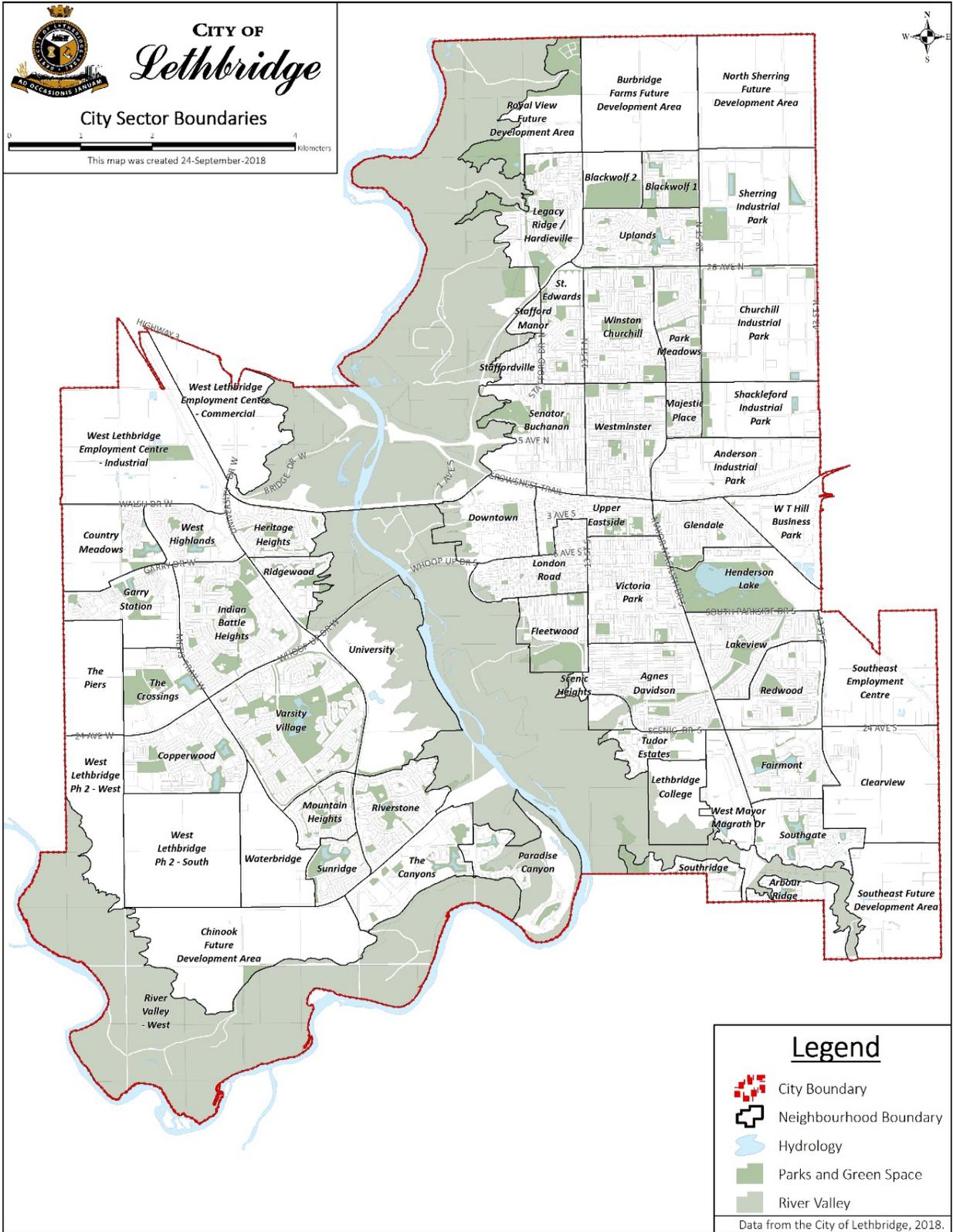


ECONOMY & TOURISM INVENTORY



Map 3- City Sectors

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Map 4 - City Neighbourhoods



1.4 Economy and Tourism Inventory Overview

The economy is one of three components of both the Land Use Framework and the SSRP, the premise being that our economic growth is a key to future prosperity in the region but not at the expense of the environment or the social development aspect of our society. Ensuring economic development respects the other 2 pillars is not the sole responsibility of one player, but a mutually shared responsibility among regional businesses, communities, all levels of government and other stakeholders. Conversely the sheltering of economic resources from encroachment of incompatible uses is also important.

The ETI will take an interdisciplinary approach in exploring these outcomes which are specific to Lethbridge with the methodology comprised of the following:

- Lethbridge Gross Domestic Product (GDP)
- Inventory of Major Projects
- Non-Residential Development by Sector
- Building Permits
- Existing Linear Infrastructure Corridors
- Lethbridge Total Employment and Distribution
- Employment by Industry
- Distribution of Employment by Industry
- E-Commerce
- Renewable Energy
- Tourism
- Hotel Occupancy

One of the projected outcomes of the ETI will be to provide considerations to the update of the ICSP/MDP, specifically Objective 1 – A Prosperous City and Objective 4 – A Well Designed City. The current ICSP/MDP was developed with extensive community consultation in 2010 and provides a good vision on creating a more compact and efficient city through redevelopment, higher densities, mixed-use buildings, etc. However, it lacks measurable goals and targets in these areas, making implementation and monitoring progress challenging. The ETI will provide the necessary background information, baseline data, and proposed direction to ensure that the ICSP/MDP update can include tangible and measurable goals and targets.

The ETI's intent is to suggest methods in which the local economy can be resilient and continue to grow over the long term horizon understanding our land base while respecting our environmental, historical and traditional knowledge assets and resources.

The ETI will be structured as followed:

Chapter 1 | Background and Introduction

The Background and Introduction provides describes the legislative framework and how this will guide the ETI. It will also provide historical and current information about the local economy.

Chapter 2 | Baseline Data



The main outcome of this part is to prepare a baseline report. This will look at previous and existing indicators for the local economy, including previous cycles in employment, construction and income to establish a collection of data that can be updated in subsequent years. Where possible these indicators will be based upon either sector or neighbourhood within the City as this chapter will consider the location of existing economic assets within the City.

Chapter 3 | Projections

Future projections of economic indicators and assets will be included at this stage. This can include projections done by external agencies, such as the Conference Board of Canada or the Government of Alberta or can include projections on population and employment that have been completed by the City of Lethbridge or a consultant that the City has hired.

The location of where in the City that this future economic activity will most likely occur will also be identified in this section.

Chapter 4 | Strength, Weakness Opportunity, Threats

This Phase focuses on making sense of the information provided in Phases 1 and 2. To do so it will include a Strength, Weakness Opportunity, Threat (SWOT) Analysis that is focused on assembling the existing strengths, weaknesses and the expected opportunities and threats for the local economy and tourism industry. Any perceived threats and opportunities for the location of economic assets within the City will be identified through this SWOT Analysis.

Chapter 5 | Economy and Tourism Inventory Considerations

This chapter is the goal setting and implementation stage of the Economy and Tourism Inventory. The information gathered in all of the previous phases will have painted a detailed picture of our local economy and tourism industry to establish considerations for the review of the MDP.



Chapter 2.0 Baseline Data

2.1 Lethbridge Gross Domestic Product (GDP)

Gross Domestic Product (GDP) is defined by Statistics Canada as, “the total unduplicated value of the goods and services produced in the economic territory of a country or region during a given period. The level of GDP reveals information about the size of an economy while the change in GDP from one period to another period indicates whether the economy is expanding or contracting”¹ It is useful as a broad measure to describe the impact of the Lethbridge economy and compare it to the size of other similar regions.

2.1.1 CURRENT AND PAST GDP TRENDS

According to the Conference Board of Canada in their *2017 Mid-Sized Cities Outlook*, the Lethbridge region (includes the City of Lethbridge, and all municipalities within the Lethbridge Census Metropolitan area - Coaldale, Picture Butte etc.) had a GDP of \$5.45 Billion in 2016 (see Figure 3). Even after accounting for inflation, Lethbridge’s GDP has increased on a consistent basis since 2008, showing gains in almost every year (see Figure 4). The only exception to this was in 2009, when the regional GDP dropped by \$172 million or 4.0% between 2008 and 2009. This was due to the recession that was experienced in Alberta that year. In the following year the regional GDP rebounded to 2008 levels as it gained \$172 million and has risen consistently on an average annual basis of 3.4% since.

2.1.2 GDP COMPARISON TO SIMILAR COMMUNITIES

The Conference Board of Canada included other medium-sized regions in Canada in the 2017 Mid-Sized Cities Outlook and the four Alberta communities that were analyzed— Lethbridge, Medicine Hat, Red Deer and Wood Buffalo (Fort McMurray) – also had the four highest GDP’s of all of the communities that were included in the report (Figure 5). All four Alberta communities greatly exceeded the average GDP of \$3.15 billion for all of the communities that were included in this report, with Wood Buffalo having the largest GDP AT \$14.88 billion and Lethbridge having the 3rd largest GDP at \$5.45 billion. Due to the relatively high wages and large oil and gas sector in Alberta, especially in Wood Buffalo, these results are not surprising.

¹ Statistics Canada. 2017. *Canadian System of Macro Economic Accounts - National Economic Accounts*. 09 20. Accessed 09 25, 2017. <http://www.statcan.gc.ca/eng/nea/list/gdp>



Lethbridge Total GDP By Year (2008-2016)

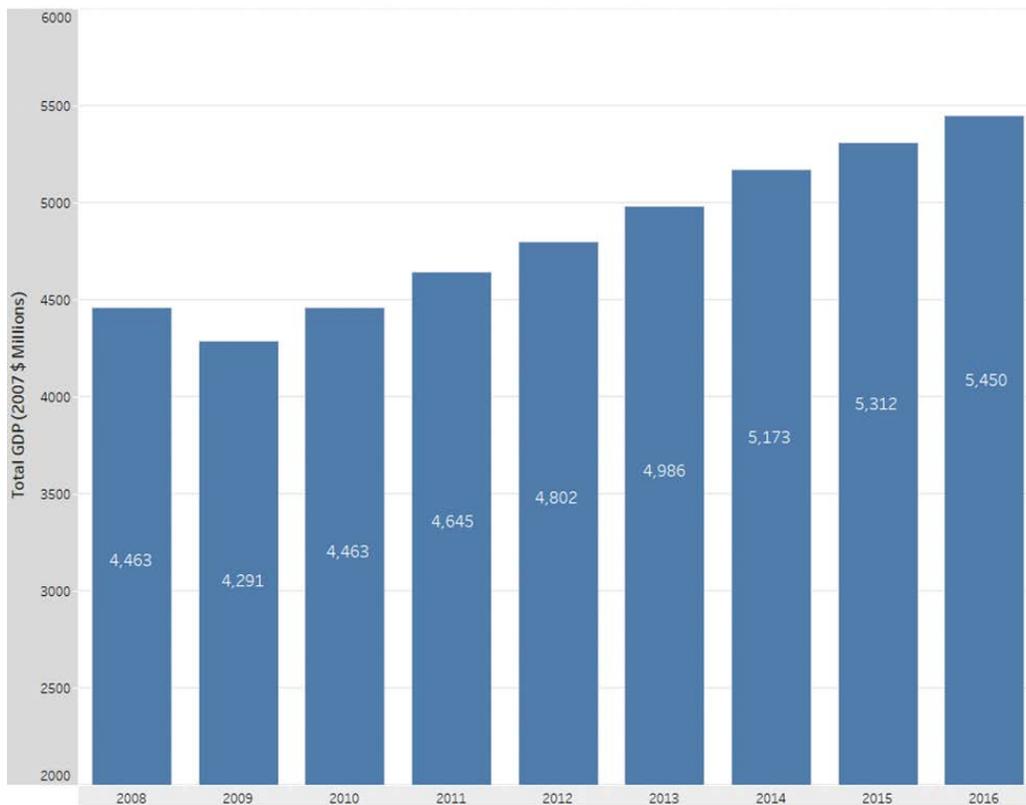


Figure 3

Lethbridge Annual GDP Growth % (2009-2016)

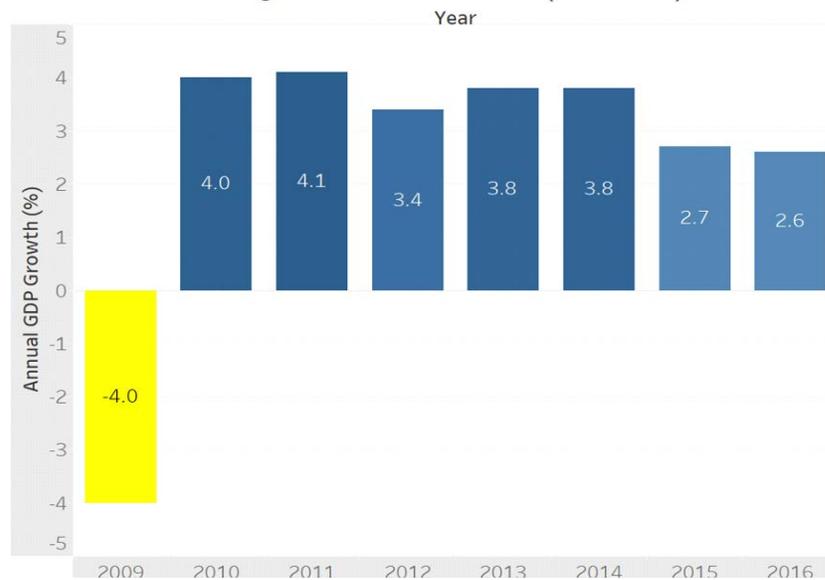


Figure 4



There was a large range in population of cities and regions that were considered in the 2017 Mid-Sized Cities Outlook (16,590 – 117,390) and it is likely that larger communities will have a larger GDP, simply due to their size and economic footprint. To account for this and better describe the local economy, the Economic and Tourism Inventory also compared the 2016 GDP of these communities to their population to obtain the GDP per capita (see Figure 6). When the GDP Per Capita was considered, Lethbridge dropped from 3rd to 10th with a GDP per capita of \$46,426 while the other three Alberta communities remained ranked in the top four of all mid-sized cities that were investigated. While this represented a decrease in Lethbridge's standing, it is important to note that Lethbridge still remained in the top third of all of the communities that were evaluated in the *2017 Mid-Sized Cities Outlook*. Other communities that had higher GDP per Capita than Lethbridge and were outside of Alberta, also tended to be dependent on other forms of resource extraction, which also create a lot of prosperity. This included Rouyan-Noranda/Val-d'Or and Timmins which are dependent on metal mining and Prince George with its lumber industry.

In 2016, Lethbridge also had lower GDP per capita than the provincial average of \$68,009, but had a nearly identical GDP per Capita to that of Canada as a whole, which had \$46,129 in 2016. In terms of GDP, Lethbridge's economic position is likely due to the fact that, unlike most of Alberta, it does not have very much oil and gas industry or employment, which accounts for much of the provincial GDP and provides jobs with high wages. Instead the local economy is more diverse and is based around government services, manufacturing, agriculture and food processing. Lethbridge's GDP per capita and its similarity to the national GDP per capita is evidence of this.



2016 Total GDP Comparison - Medium-Sized Canadian Cities/Regions

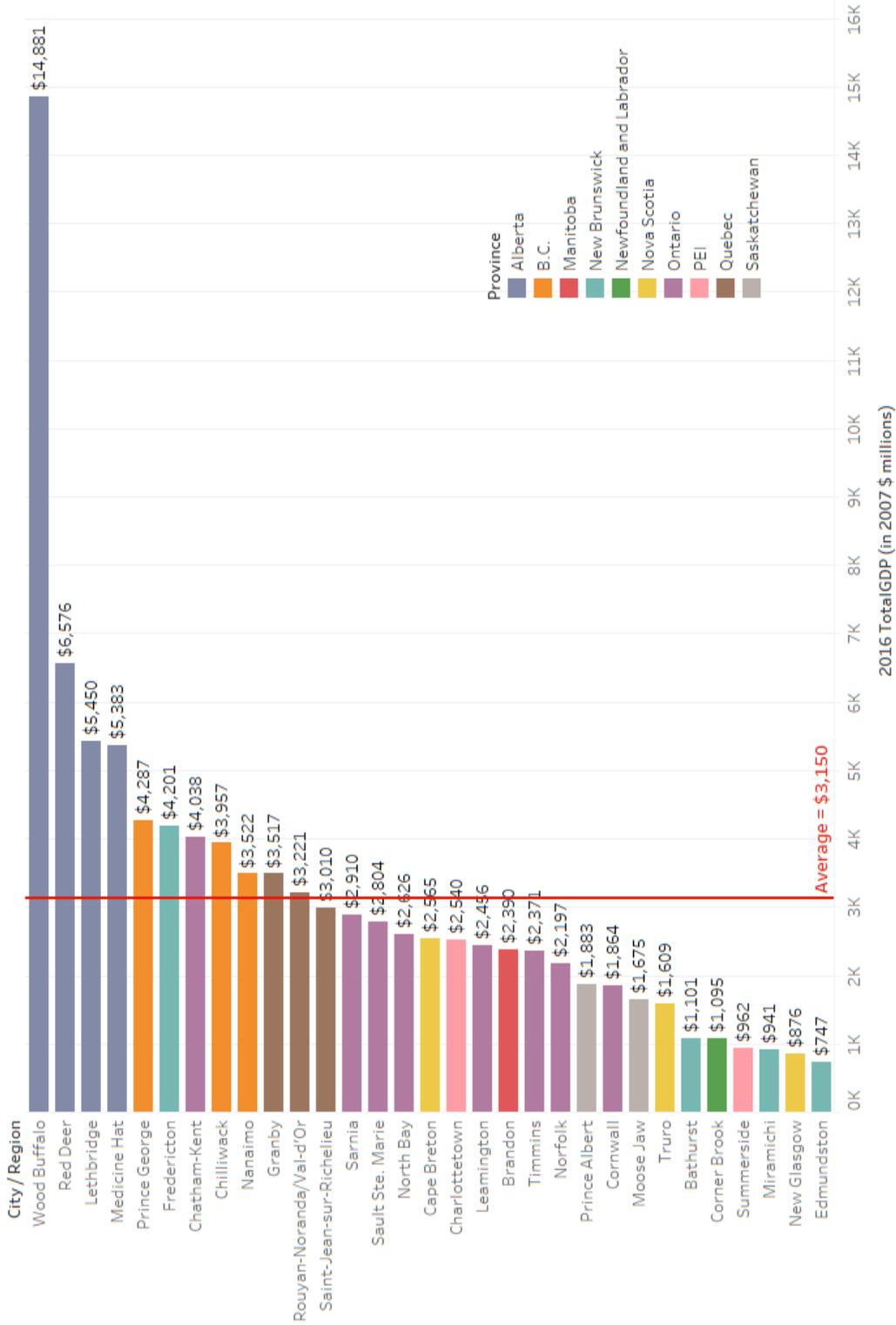


Figure 5



2016 GDP Per Capita Comparison - Medium-Sized Canadian Cities / Regions

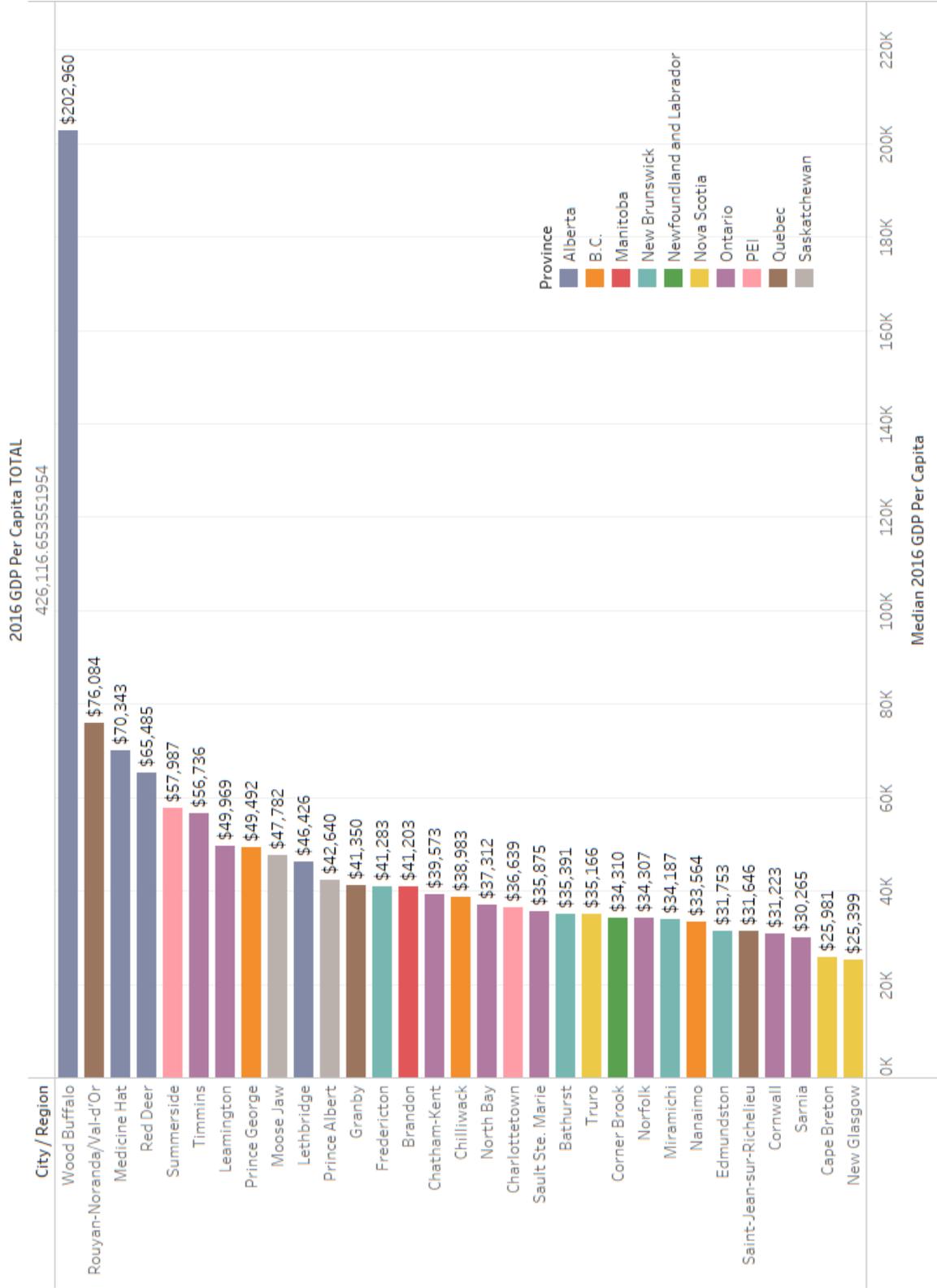


Figure 6



2.1.3 HISTORIC TRENDS IN GDP

As mentioned above, Lethbridge has a very different economy than the other comparable Alberta communities and has had the smallest GDP for most of the years between 2008-2016 that were studied by The Conference Board of Canada, despite having the largest population². As demonstrated in Figure 7, all four of these Alberta communities experienced a decline in Total GDP between 2008-2009 and then continued with GDP growth over the next few years. This was due to the national recession and the majority of communities in Canada experienced a decrease in GDP during this time. However, the sharp decline in oil prices between 2014 and 2015 again caused a decline in the GDP in three of the four mid-sized Alberta communities that are included in the 2017 Mid-Sized Cities Outlook. The lone Alberta community that has seen continual and consistent annual GDP growth since the 2009 national recession is Lethbridge with an average annual GDP growth rate of 3.49% since this recession.

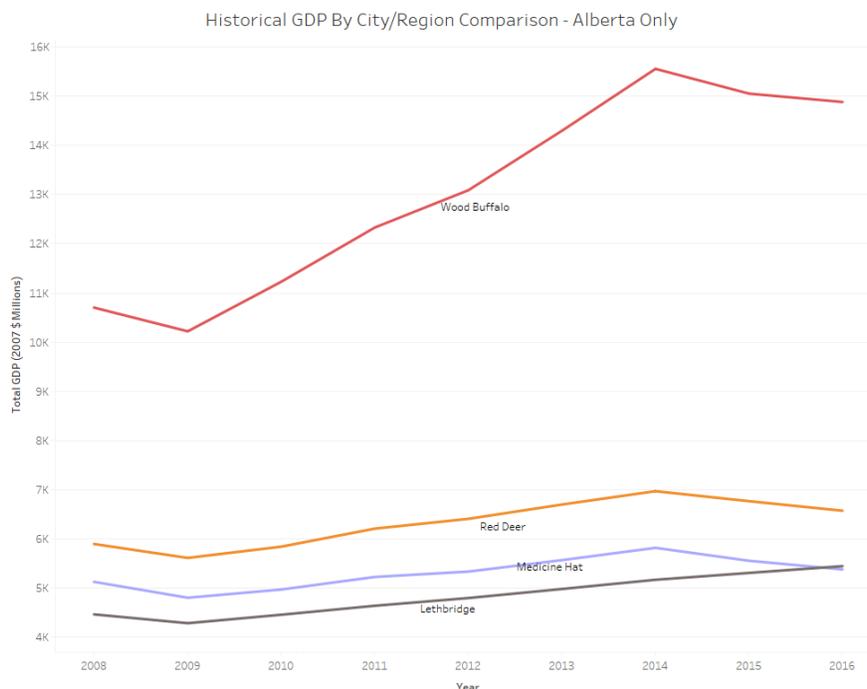


Figure 7

These previous trends in the GDP of Wood Buffalo, Red Deer and Medicine Hat also largely reflect the GDP growth rate which was experienced in Alberta, as a whole over this same time frame, which contracted between 2008-2009, 2014-2015 and 2015-2016 (see Figure 8). Lethbridge bucked this trend and has seen GDP growth that has exceeded both the provincial as well as the national averages. What is

² Arcand, Alan, Constantinos Bougas, Henry Diaz, Christopher Heschl, Jane McIntyre, and Robin Wiebe. *Mid-Sized Cities Outlook: Economic Insights Into Select Canadian Cities—2017*. Ottawa: The Conference Board of Canada, 2017.



Historic GDP Growth Rate Comparison - Lethbridge, Alberta & Canada

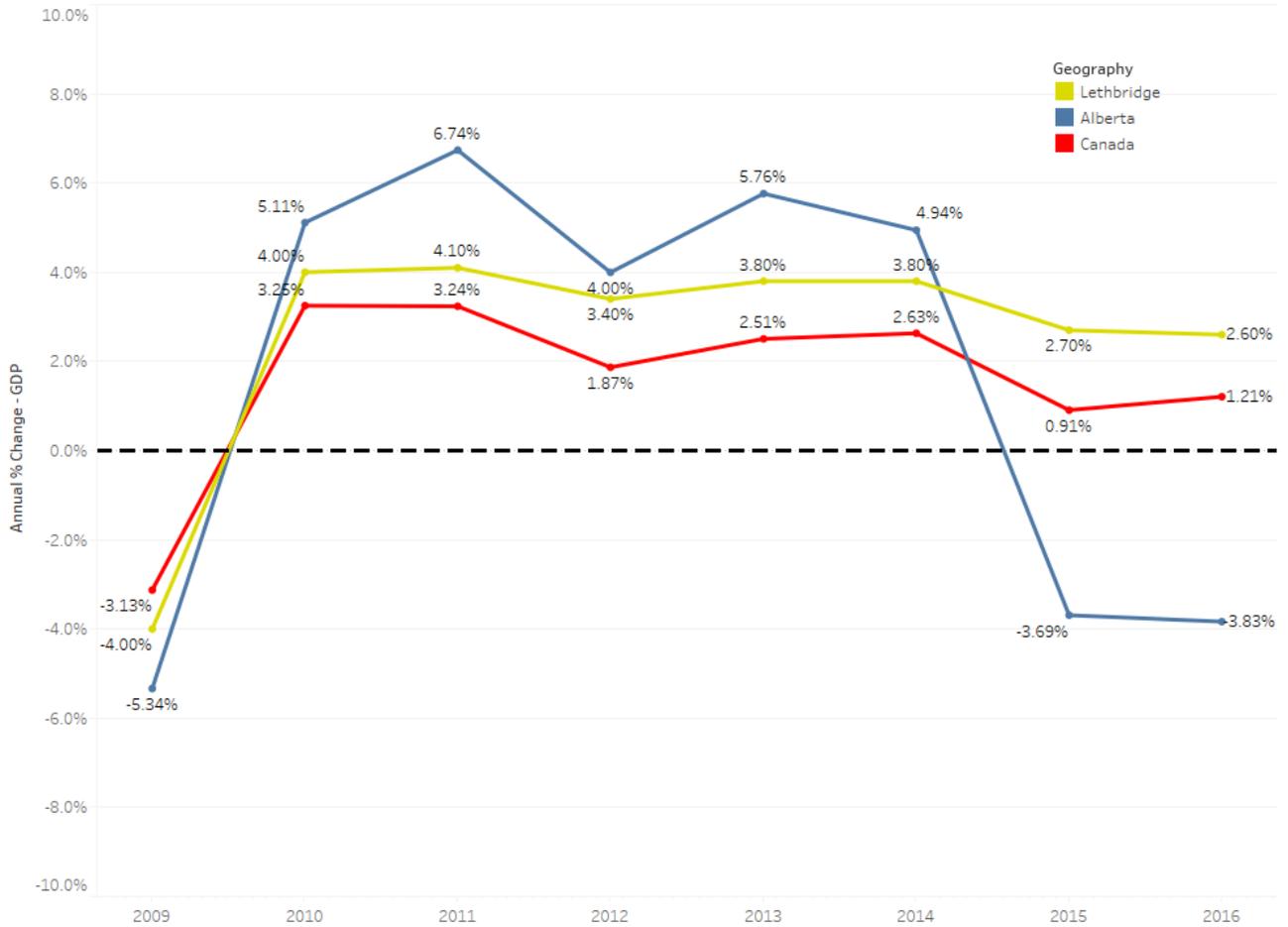


Figure 8

of interest is that Lethbridge’s pattern in GDP growth more closely resembles that of the broader national economy than that of the narrower provincial economy.

This stable and steady growth can be attributed to the fact that unlike most of Alberta, Lethbridge has a diverse and broad economy that is not dependent upon the oil and gas sector and more closely resembles that of the national economy. Economies that are dependent upon natural resource extraction, like oil and gas, tend to have higher overall GDP, but also tend to be subject to the boom and bust cycles that are largely driven by international commodity prices. Communities that have economies that are based upon natural resource extraction also tend to have this sector dominate their local economy. When this sector declines it is felt throughout the entire community.

2.1.4 LOCATION OF GDP GENERATORS

The precise amount of GDP that specific locations within the City generate is unknown, however the amount of GDP per employee by City Sector gives a reasonable estimate for the purposes of this report. As the annual GDP of Lethbridge in 2016 was \$5.45 billion and there were an estimated 49,045



employees working in Lethbridge during this year, the average GDP per employee is \$111,122. As shown on Figure 9, by this measure South Lethbridge contributed the most to the overall citywide GDP with \$3 billion in 2016. It is estimated that Downtown contains the most employees of any neighbourhood in South Lethbridge with approximately 8,000. This would have generated \$ 0.9 billion in GDP in 2016. The neighbourhood of Victoria Park contains another major employer – Chinook Regional Hospital. Approximately 3,700 employees work in this neighbourhood, meaning that it would have generated just over \$0.4 billion in GDP in 2016

North Lethbridge contributed almost \$2 billion in 2016 . The four industrial parks located in the eastern portion of North Lethbridge are the major area in this City sector and have an estimated 9,600 employees. This would have contributed an estimated \$1 billion to the City’s total GDP in 2016. As West Lethbridge has the least non-residential development and fewest number of employee it contributes only \$0.5 billion.

Sector	Employment - 2016	Est. GDP Per Sector (\$ Millions)
North	17,314	\$1,924
South	27,205	\$3,023
West	4,526	\$503
Total	49,045	\$5,450
Total City GDP (\$ Millions)	\$5,450	
Avg. GDP Per Employee	\$111,122	

Figure 9 - Estimated GDP by City Sector - 2016



2.2 Inventory of Major Projects

As of 2018, there are a number of major public and private projects that are currently underway in Lethbridge. Public Sector projects include those being built by the municipal government (i.e. ATB Recreation and Leisure Complex, Legacy Regional Park) and the provincial government (i.e. University of Lethbridge Destination Project, Lethbridge College Trades, Technologies and Innovation Facility). Major private sector projects mainly include land development (i.e. The Crossings commercial site), but also include the construction of large facilities, such as the new Cavendish potato processing plant. This investment has represented an increase in the annual value of major capital projects (greater than \$5 million) since the 2012 recession from \$290 million to \$922 million in 2017 (see Figure 10 below)³. This contrasts with the trends that have been seen in other similar sized municipalities in the province that

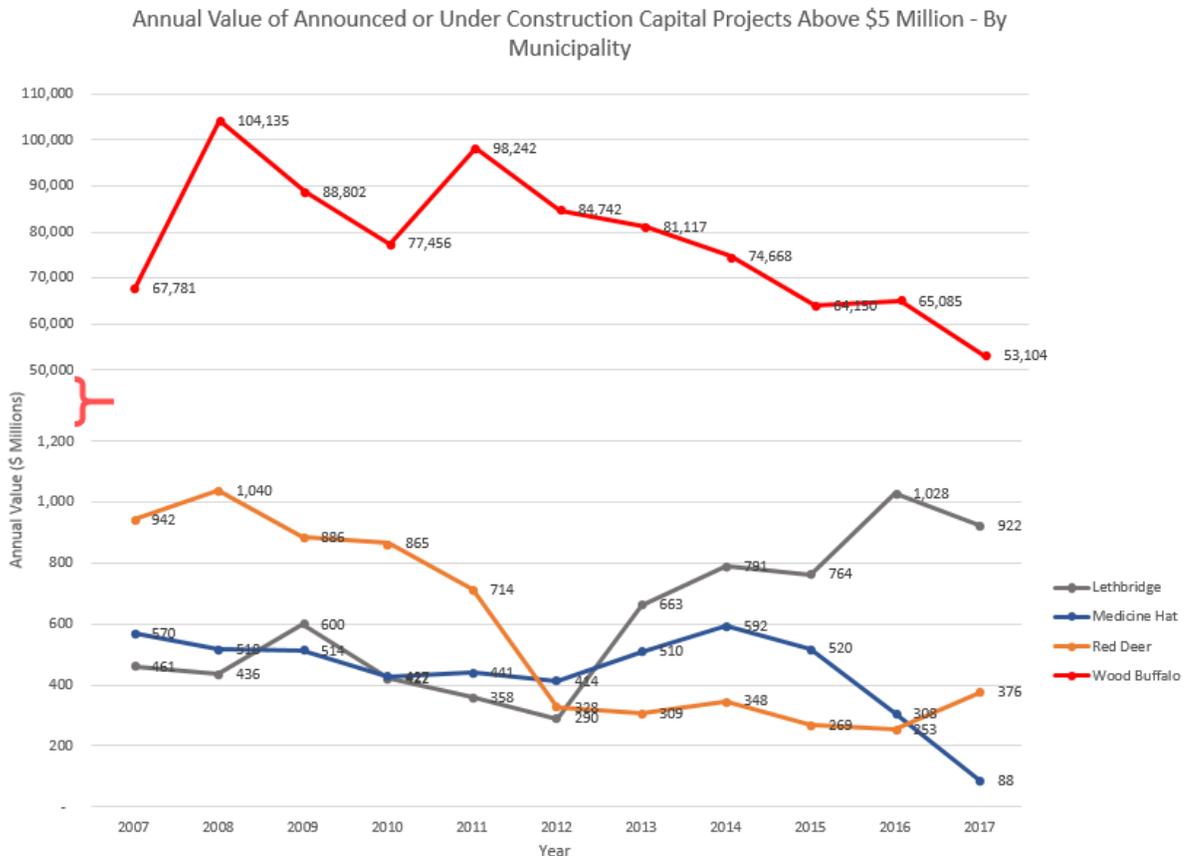


Figure 10

3 Economic Development and Trade – Province of Alberta. *Major Projects by Municipality*, <https://open.alberta.ca/opendata/major-projects-by-municipality#summary>. July 7, 2017 (accessed: March 26, 2018)



have generally seen a decrease in the value of new major capital projects since the beginning of the 2012 recession.

Figure 11 below provides a summary of the major projects that are currently on-going within the City as of early 2018 and Map 5 shows the location of these projects by sector.

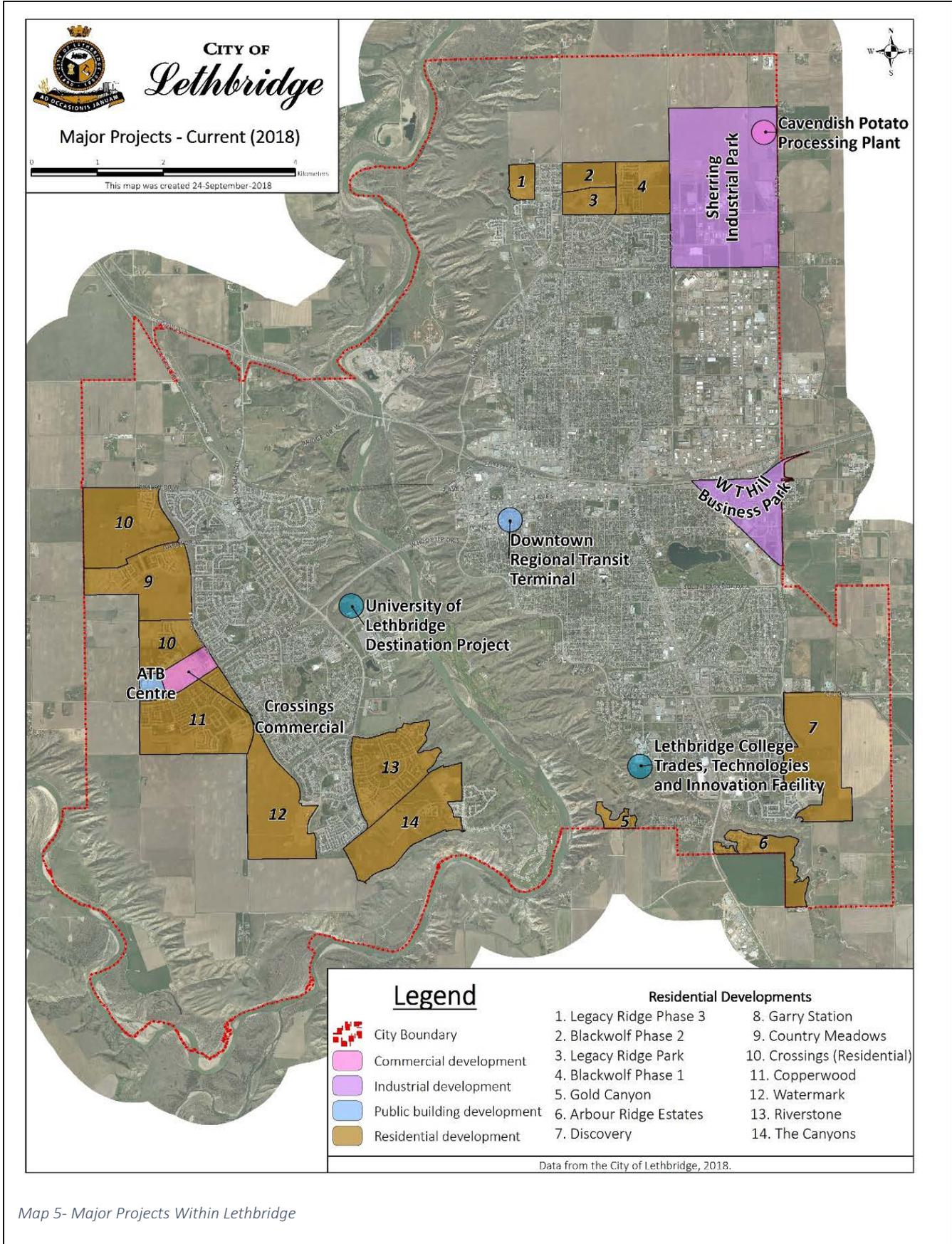
North	Proponent
Legacy Regional Park	Municipal Government
Cavendish Potato Processing Plant	Corporation
Sherring Industrial Park	Land Developer
Blackwolf 1	Land Developer
Legacy Ridge 3 Residential Land Development	Land Developer
South	Proponent
Lethbridge College Trades, Technologies & Innovation Facility	Provincial Government
Downtown Regional Transit Terminal	Municipal Government
W.T. Hill Business Park	Land Developer
Arbour Ridge Residential Development	Land Developer
Discovery Residential Neighbourhood	Land Developer
Gold Canyon Residential Neighbourhood	Land Developer
West	Proponent
University of Lethbridge Destination Project	Provincial Government
Westside Recreation and Leisure Centre	Municipal Government
Crossings Commercial Development	Land Developer
Copperwood Residential Development	Land Developer
Country Meadows Residential Development	Land Developer
Garry Station Residential Development	Land Developer
Riverstone Residential Development	Land Developer
The Canyons Residential Development	Land Developer
The Crossings Residential Development	Land Developer
Watermark Residential Development	Land Developer

Figure 11 - 2018 Inventory of Major Projects by City Sector

The majority of residential land development is occurring in West Lethbridge, which is not surprising as this is also the sector of the City that has consistently had the largest population growth over the past number of years. West Lethbridge has one commercial development node under construction in The Crossings neighbourhood, but has not yet seen the initiation of development within the West Lethbridge Employment Centre lands.

North Lethbridge has a few residential neighbourhoods that are currently under development in Legacy Ridge and Blackwolf 1 and also has most of the City's employment-related development under construction in regards to the new Cavendish Farms potato processing facility and the Sherring Industrial Park.

ECONOMY & TOURISM INVENTORY



Map 5- Major Projects Within Lethbridge



South Lethbridge has had the slowest growth rate of the three sectors of Lethbridge over the past number of years. This is because there has been a limited amount of residential land development in this sector. The growth of the Arbour Ridge and Gold Canyon neighbourhoods has been slow, as these neighbourhoods are marketed to the luxury end of the local housing market, which is limited in Lethbridge. The development of the Discovery residential neighbourhood has just begun in 2018 and the development of this area will help to increase growth in South Lethbridge, albeit not likely at the same level as experienced in West Lethbridge.

2.3 Non-Residential Development by Sector

According to the City of Lethbridge Taxation and Assessment Department, at the beginning of 2017, existing commercial and industrial development consumed nearly the same amount of land on a City wide basis (see Figure 12 below). Developed industrial land consumed 293.4 ha, while developed commercial land consumed 294.8 ha.⁴

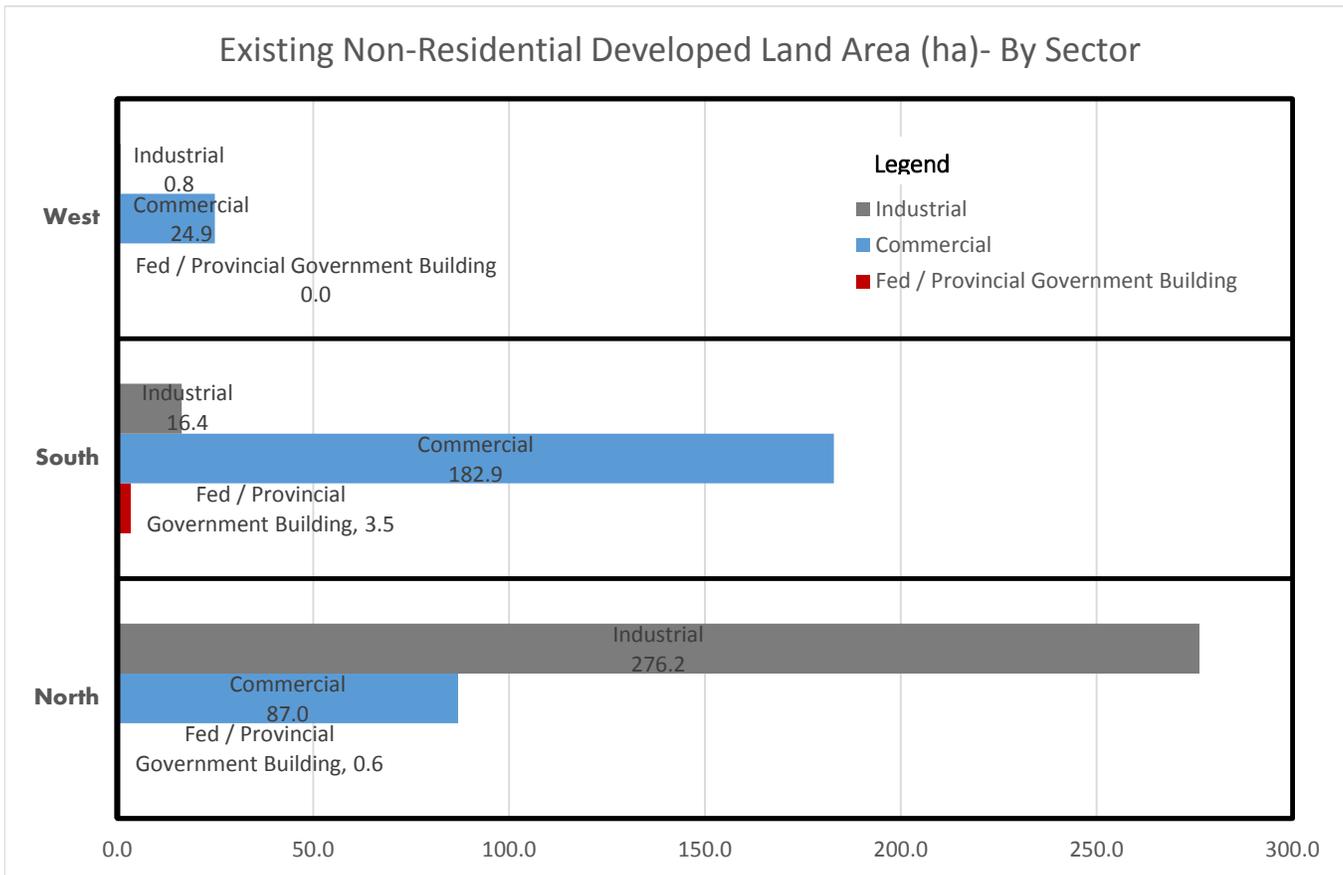
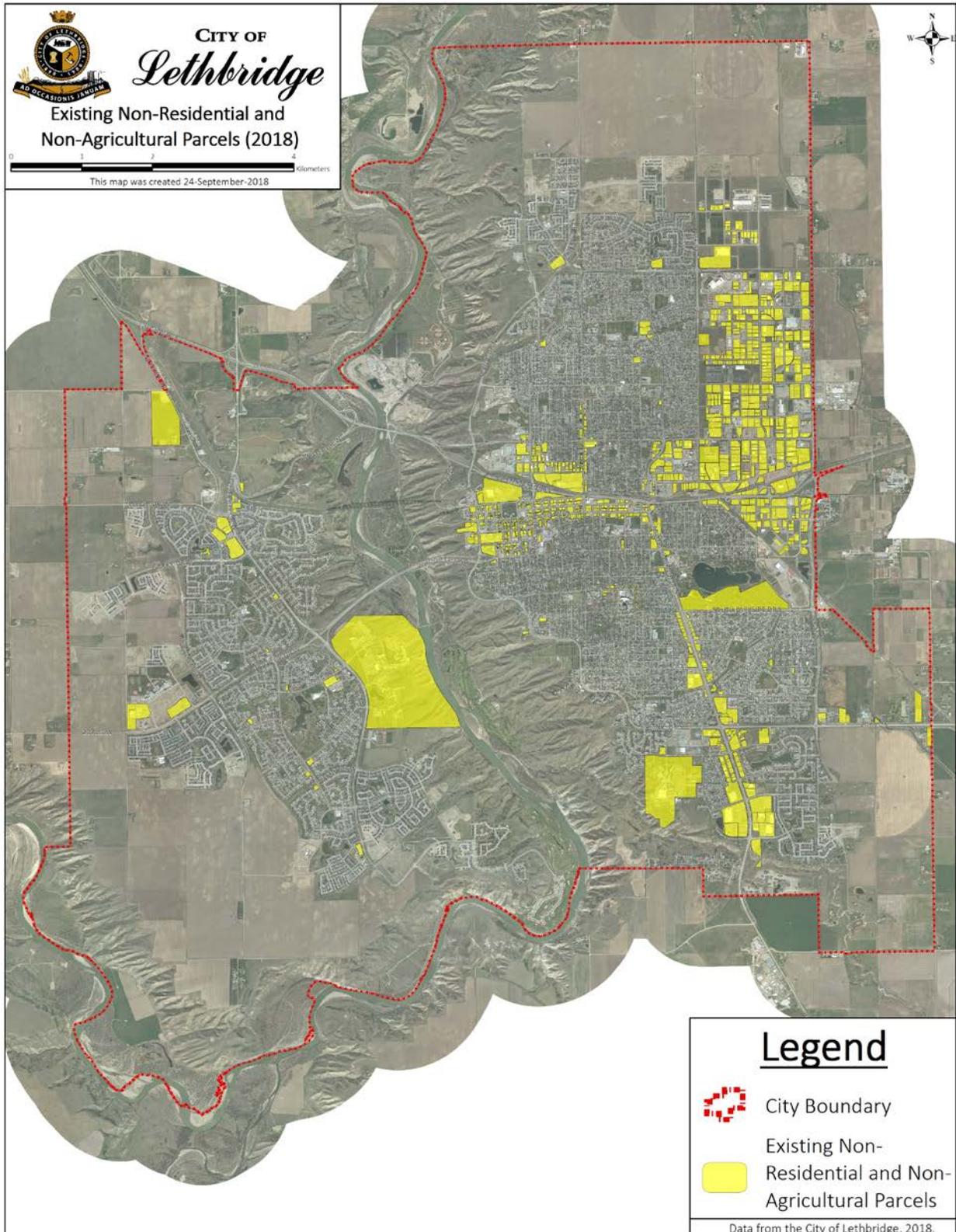


Figure 12

⁴ City of Lethbridge Taxation and Assessment. *Taxable Non-Residential Properties to December 31, 2016* (accessed: December 15, 2017).



Map 6 - Existing Non-Residential and Non- Agricultural Parcels



On a City sector-basis, the majority of developed non-residential land (primarily industrial) was found in North Lethbridge, due to several factors: prevailing wind direction, the presence of railway spur lines, available infrastructure servicing capacity and similar land uses locating in proximity to one another. Industrial land uses tend to consume a lot of land and the majority of land that is zoned for industrial purposes is located in northeast Lethbridge. This sector also contains a considerable amount of commercial land in nodes that are primarily adjacent to the north side of Highway #3, along 13th Street North and in a portion of the Sherring Industrial Park.

South Lethbridge contains the majority of the City's developed commercial land in nodes located Downtown and along the extent of Mayor Magrath Dr. South. The W.T. Hill Business Park also contains an assortment of commercial office space and hospitality services, as it is at the intersection of 43rd Street and Highway #3. While not having large share of the overall non-residential space, Federal/Provincial Government space (not including educational or health care facilities) was concentrated in South Lethbridge; mainly in offices located Downtown.

West Lethbridge at this time contains only a fraction of the total City-wide land area that is used for non-residential development. Of this approximately 25 hectares are split mainly between hubs located on the north end of University Drive and in The Crossings along Whoop-Up Dr.

When it comes to non-residential floor space, the majority is located in South Lethbridge (868,579 m²), with the vast majority of this being in the form of commercial development (824,588m²). North Lethbridge contains a total of 791,959 m² non-residential floor space, with 562,291m² of this being in the form of industrial development. West Lethbridge contains a small segment of the City's non-residential floor space with a total of 54,000 m² and virtually all of this being in the form of commercial development (See Figure 13).

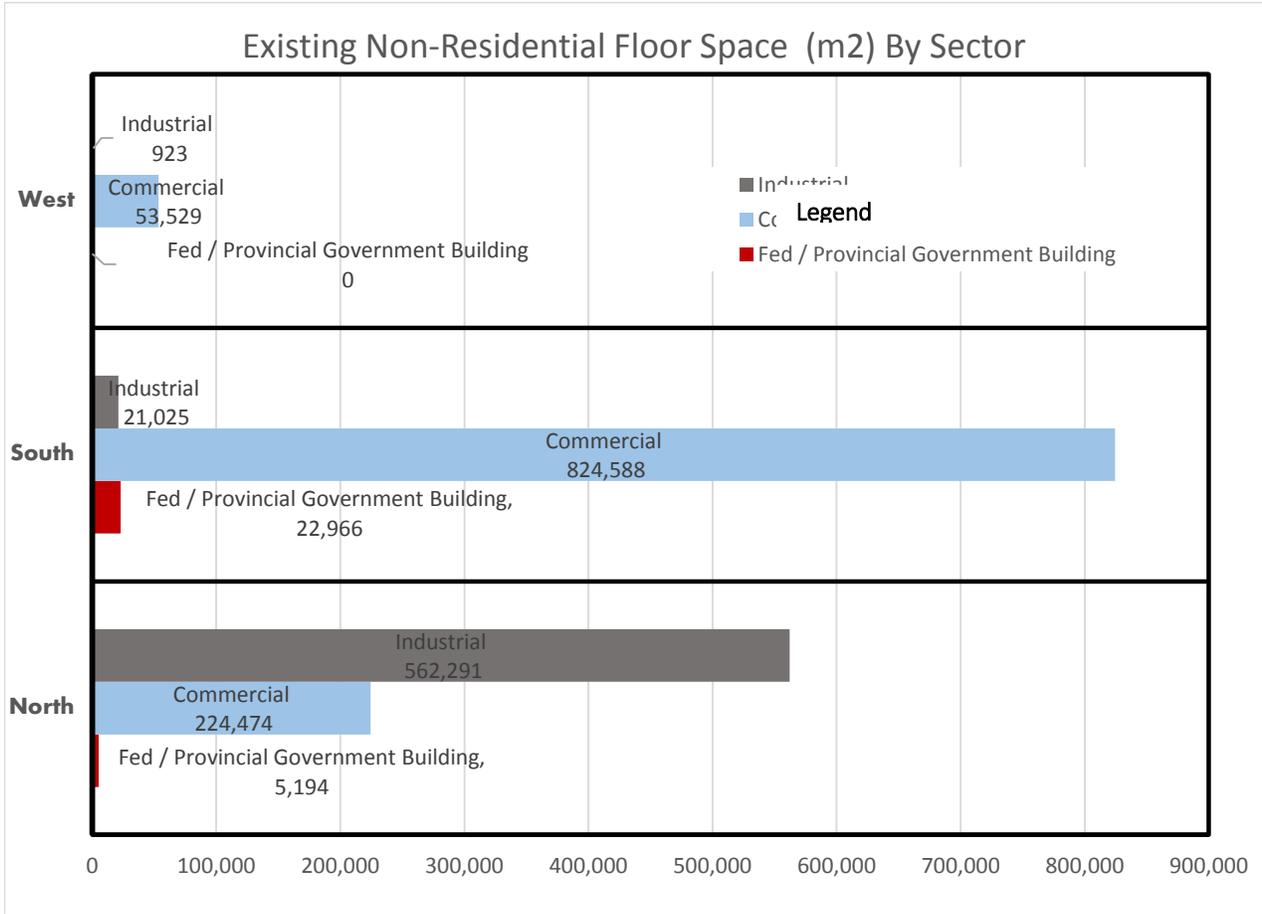


Figure 13

On a City-wide basis, industrial and commercial development currently use an almost identical amount of land area, however there is approximately double the amount of floor space for commercial as there is for industrial. Commercial development currently has 1.1 million m² while industrial development has 580,000 m² of floor space. This difference is because, in Lethbridge, commercial development tends to use land more efficiently in comparison to industrial development. Over the entire City, commercial development has a floor area ratio of 0.37, while industrial development has a floor area ratio of 0.20 (see Figure 14 below). This is significant as industrial areas are not likely to have as many employees on a per hectare basis than what is found in commercial areas, as there is less overall floor space.

Floor area ratio varies by City sector as well, with commercial development in South Lethbridge having a FAR of 0.45 and North and West Lethbridge having a FAR of 0.26 and 0.22 respectively. This is likely due to South Lethbridge containing Downtown, which has a number of older commercial properties that were developed at a greater density than newer commercial sites that were developed in West Lethbridge and newer parts of North Lethbridge where a great amount of off-street parking was included.



Sector	Commercial	Industrial	Fed / Provincial Government Building
North	0.26	0.20	0.90
South	0.45	0.13	0.67
West	0.22	0.12	-
Total	0.37	0.20	0.70

Figure 14 - Floor Area Ratio- By Sector

In recent years there has been significant pressure to redevelop/develop general and heavy industrial parcels located in the industrial area in the City’s northeast for other, non-compatible uses, such as commercial. This is largely because industrial land tends to be less expensive than commercial land. At the same time, commercial and business/light industrial uses in West Lethbridge have been slow to develop and there are commercial vacancies in established neighbourhoods.

Heavy and general industrial development requires the installation of increased utility servicing capacity which is greater than that which is installed for commercial and industrial development. Developing other uses, such as commercial, on sites that were planned to contain general or heavy industrial development means that this increased utility infrastructure is underutilized and is inefficient. This also limits the amount of land that is available for heavy industrial development in the future which, due to prominent wind direction, is constrained to the northeast area of the City. Future policies should consider further limiting the use of land that is zoned or intended for heavy and general industrial purposes in the northeast part of the City to these purposes.

2.4 Existing Linear Infrastructure

2.4.1 EXISTING LINEAR INFRASTRUCTURE CORRIDORS AND LAND USE DEVELOPMENT

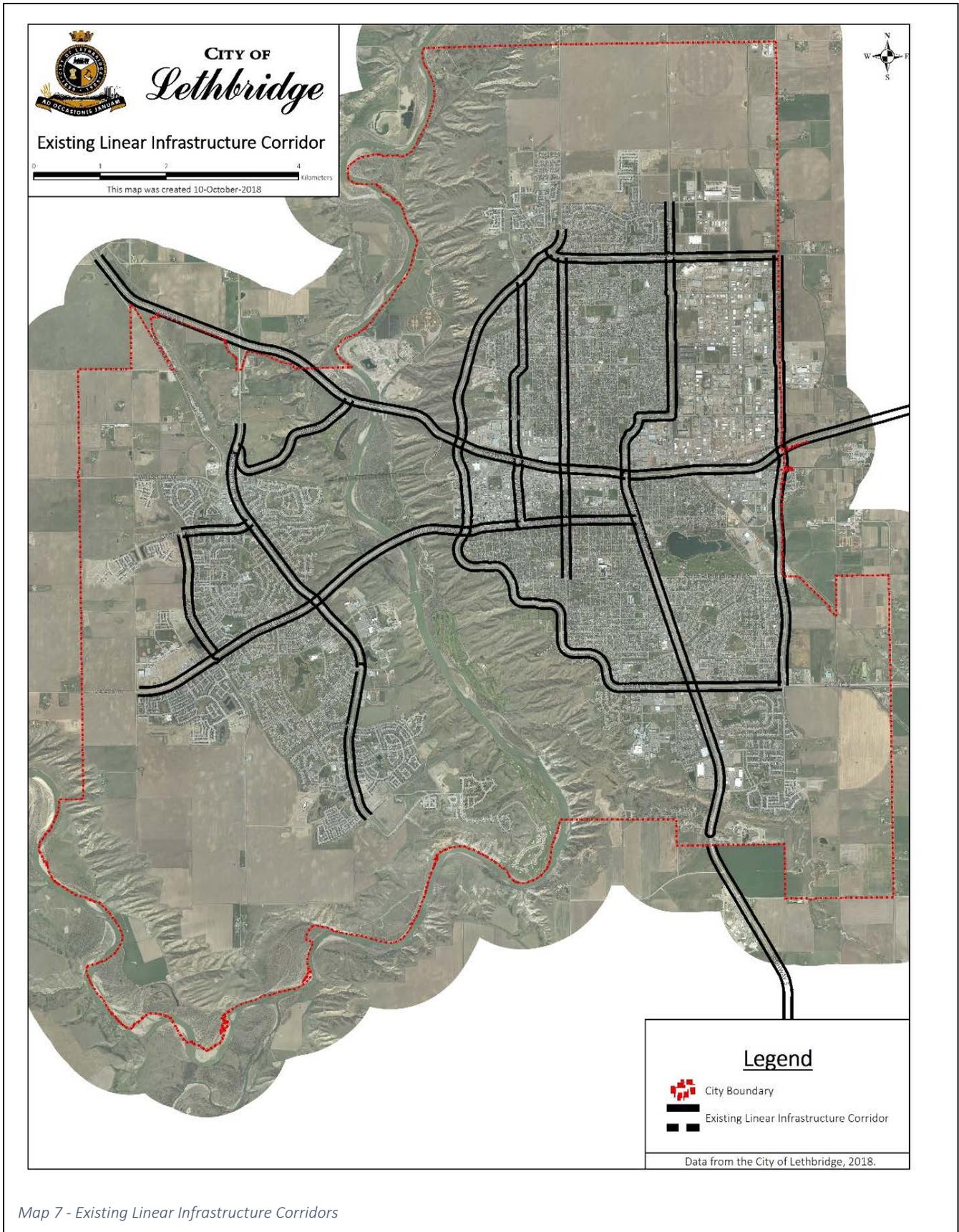
Map 7 shows the location of existing linear infrastructure corridors within the City. These corridors contain major roadways and many of the major utility servicing lines for sanitary sewer, storm sewer and water. Like in many other cities a pattern of development has followed these corridors as they have been extended with additional development then branching off of smaller utility servicing lines and collector and local roadways.

The development of West Lethbridge began in the 1970’s and has occurred along one north-south linear corridor (University Dr.) and one east-west linear corridor (Whoop-Up Dr.). Development began in the 1970’s near the current approximate middle of West Lethbridge and University campus in Varsity Village and expanded along University Dr. northwards to Indian Battle Heights, Ridgewood, Heritage Heights and West Highlands and southwards to Mountain Heights, Riverstone and Sunridge. Development in Varsity Village and Indian Battle Heights also extended to the west along Whoop-Up Dr., with Copperwood and The Crossings also being constructed along Whoop-Up Dr. beginning in the mid 2000’s. In addition to being arterial roadways, University Dr. and Whoop Up Dr. contain a number of major utility servicing lines

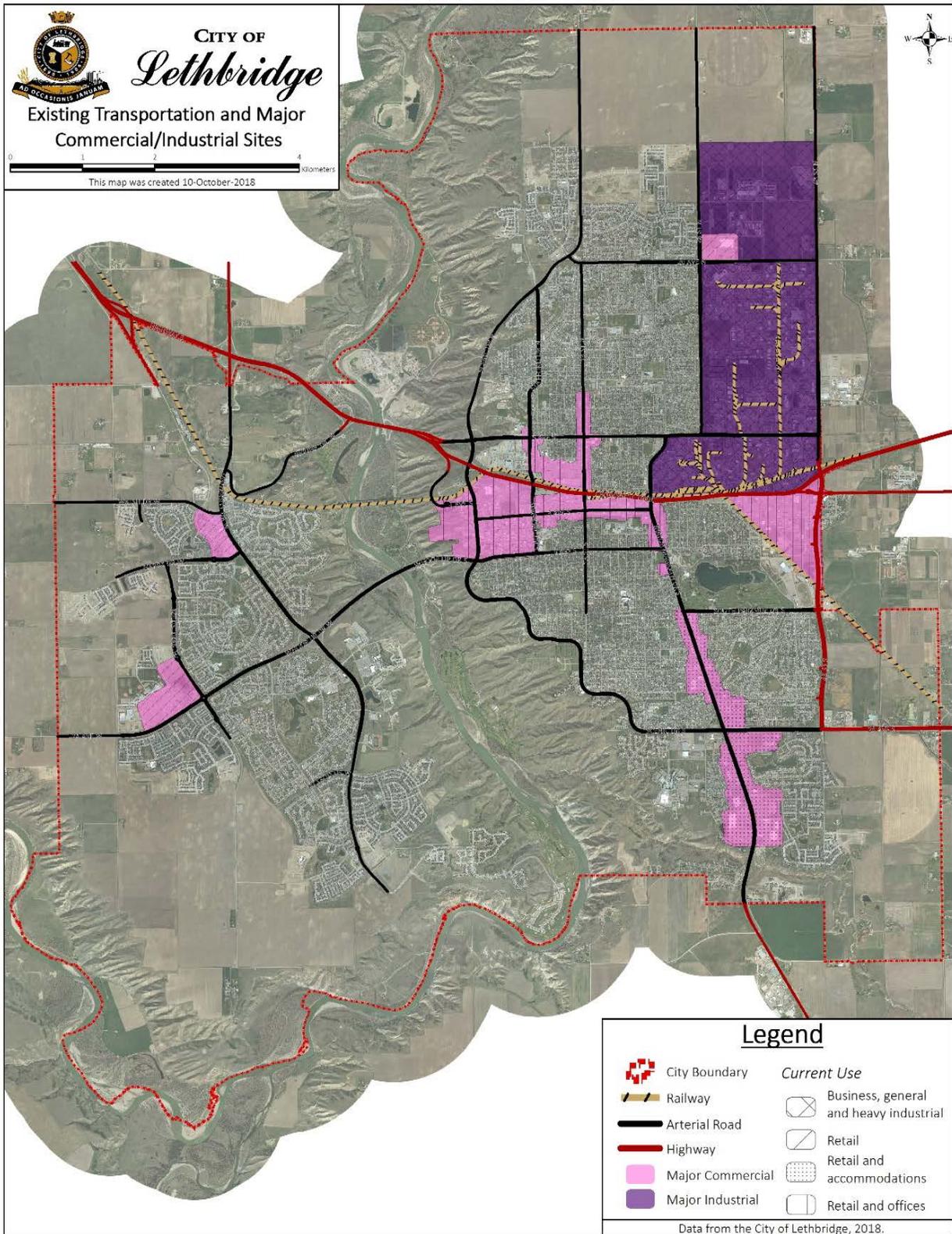


that are utilized by adjacent neighbourhoods. While the majority of development along the University Dr. and Whoop Up Dr. linear corridors have been residential in nature, there have also been nodes of commercial development located in West Highlands and the Crossings.

Major commercial development began in the Lethbridge's Downtown core, near the train station and other amenities and within walking distance of most homes. Commercial development then expanded beyond Downtown along major thoroughfares, such as 3rd Ave. S and 13th St. N, some of which were located on street car lines. Like many North American cities, this process accelerated in the post-war period, as the automobile became the most popular form of transportation. The City's major commercial corridor, Mayor Magrath Dr., expanded in this linear fashion, drawing commercial development southwards towards Scenic Dr./Highway #4 from the 1950's – 1980's and then stretching further south to the current City boundary during the 1990's and 2000's as this roadway was expanded and servicing capacities were improved. Commercial development enjoyed the exposure and access of being located adjacent to a major roadway, while residential neighbourhoods expanded behind these commercial properties on the east and west sides of this corridor.



Map 7 - Existing Linear Infrastructure Corridors



Map 8 - Existing Transportation and Major Commercial/Industrial Sites

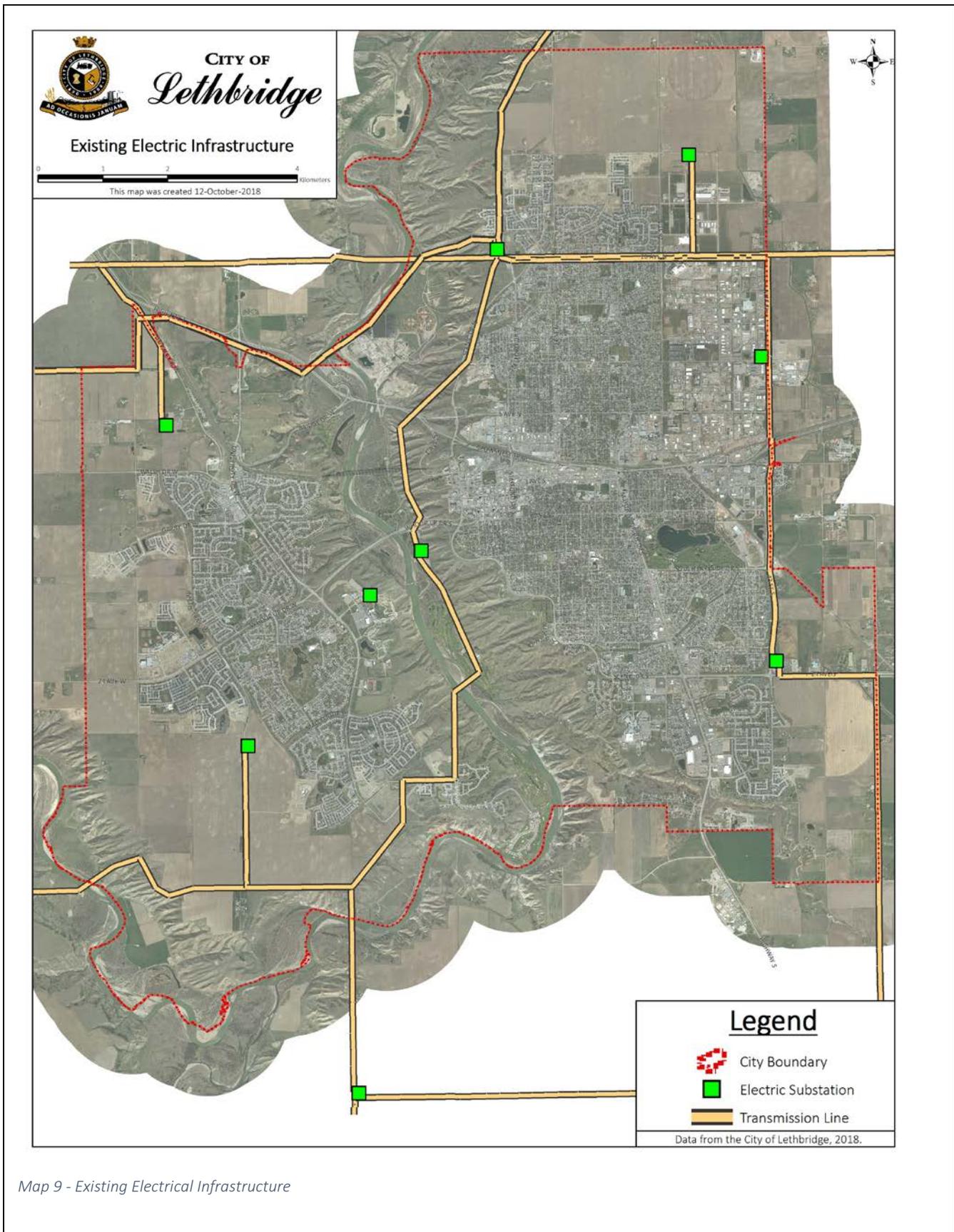


Recent commercial development has also located along major roadways with The Crossings commercial development located near the intersection of Metis Tr. W and Whoop-Up Dr. W. and the SmartCentres North site located at the intersection of 28th St. N and 26th Ave. N. In addition to automobile access, access to transit, pedestrian facilities and cycling facilities, is also available to recently constructed commercial sites, as these corridors have been planned to contain transit stops and pathways. Major commercial development still requires direct access to major linear infrastructure corridors, as it has for much of recent history. However, recently constructed corridors now contain array of multi-modal transportation infrastructure, as opposed to being strictly oriented toward the car.

Prior to World War 2 industrial development was located on both sides of the Canadian Pacific Railway's main line through the City to take advantage of its proximity to shipping. However, since this time, Industrial development in the City's northeast has expanded northwards following the extension of 28th St. N and 43rd St. N, as the national highway system improved and shipping by transport truck gained prominence. Major utility lines, crucial to industrial development, were included in these roadways as they were extended. While the importance of rail access has declined over time, it still is important to certain industries, especially those that ship or receive wholesale goods and commodities. The City of Lethbridge still maintains rail spur lines within the industrial parks in the north east (see Map 8) as this is still a critical piece of infrastructure for many industries (i.e. Richardson Oilseed, Cargill Terminal, Hostess Frito-Lay etc.) which have clustered near rail spurs as they have stretch northward.

2.4.2 EXISTING MAJOR ELECTRICAL INFRASTRUCTURE

The existing electrical transmissions lines and substation that serve the City are indicated on Map 9. The newest substation in the City that has been constructed is located in the northern portion of West Lethbridge which was completed in 2016 and was constructed to serve the growing needs of this sector of the City. The City's current plans take these existing transmission lines and substations into account. However, the City's current plans do not all demonstrate the future needs of major electrical infrastructure. As it is crucial to set aside sufficient land and right-of-ways well in advance of the construction of major electrical infrastructure, new plans or amended community plans should identify the location of this future electrical infrastructure. This also allows residents the opportunity to know of the location of future major electrical infrastructure well in advance.



Map 9 - Existing Electrical Infrastructure



2.5 Historical Building Permits

2.5.1 TOTAL BUILDING PERMITS

Figure 15 shows the value of building permit applications for new construction every year since 2010. Data on building permits was not available before 2010, as prior to this building permits were not separated for new construction and existing construction (i.e. renovations). New residential construction is relatively consistent, with most years having between \$70 and \$85 million worth of construction per year. The only two years below this range were 2011 and 2012 that had \$47 million and \$60 million in construction respectively. Non-residential construction includes industrial, commercial and public buildings. Compared to residential construction, non-residential construction was much more volatile between 2006-2016, ranging from a low of \$29 million in 2012 to a high of \$153 million in 2016. With large projects, such as the hospital expansion and Destination Project at the University of Lethbridge recently completed or wrapping up, it is expected that this will decline somewhat, however this will be buffered by the construction of the Cavendish potato processing plant and other ongoing industrial projects.



Figure 15

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From 2010-2016 new residential construction has been above 700,000 sqft. in building area per year, peaking at 851,453 sqft. of residential building space being constructed in 2017 (see Figure 16). Only 2011 and 2012 had less than 700,000 sqft. constructed, with 559,524 sqft. and 295,534 sqft. constructed in each of these years respectfully. However, local residential construction rebounded in 2013 with 773,420 sqft. of new construction after the lull experienced in the previous year.

In terms of building area, new non-residential-construction has been less than residential every year except for 2012, when there was a steep decline in new residential construction. In 2012 non-residential construction had 11,000 sqft more than residential construction in terms of new building area. The lowest amount of non-residential building squarefootage was added in 2017, when only 234,266 sqft. of non-residential space was added. This downward trend should be watched over the next few years for signs of a slowdown in non-residential construction. However the construction of new industrial space could make great strides towards pushing this higher, due to the scale of ongoing industrial development.

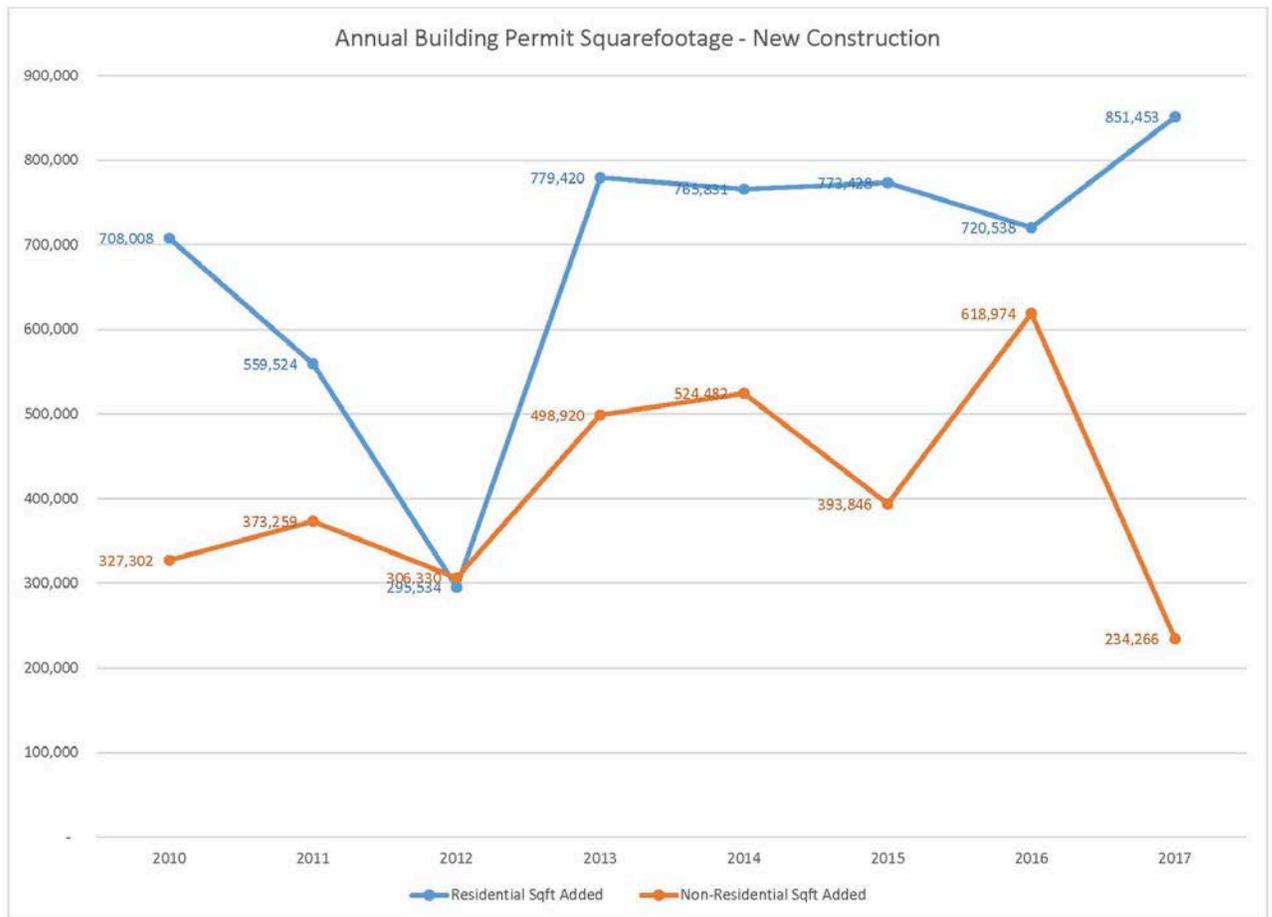


Figure 16



2.5.2 BUILDING PERMITS BY CITY SECTOR

Figure 17 shows the value of building permit applications for new construction in each sector of the City every year since 2010. West Lethbridge has lead the City for all years, other than 2010 and 2014 and has seen a great increase in the value of building permits over the previous two years - 2016 and 2017. Over these two years the value of new West Lethbridge construction was \$190 million and \$172 million respectfully and accounted for over 80% of the value of all City-wide construction. For 2010 to 2015 the value of building permits in West Lethbridge was mainly bolstered by the volume of new home construction, as this sector accounted for over 60% of the city's population growth over this time and did not see much in terms of non-residential development. However, over the past few years West Lethbridge has had a number of non-residential projects begin construction. This includes the University of Lethbridge's Destination Project, two new public schools and the Crossings commercial development and is the reason for the great increase in building permit value that was observed in 2016 and 2017.

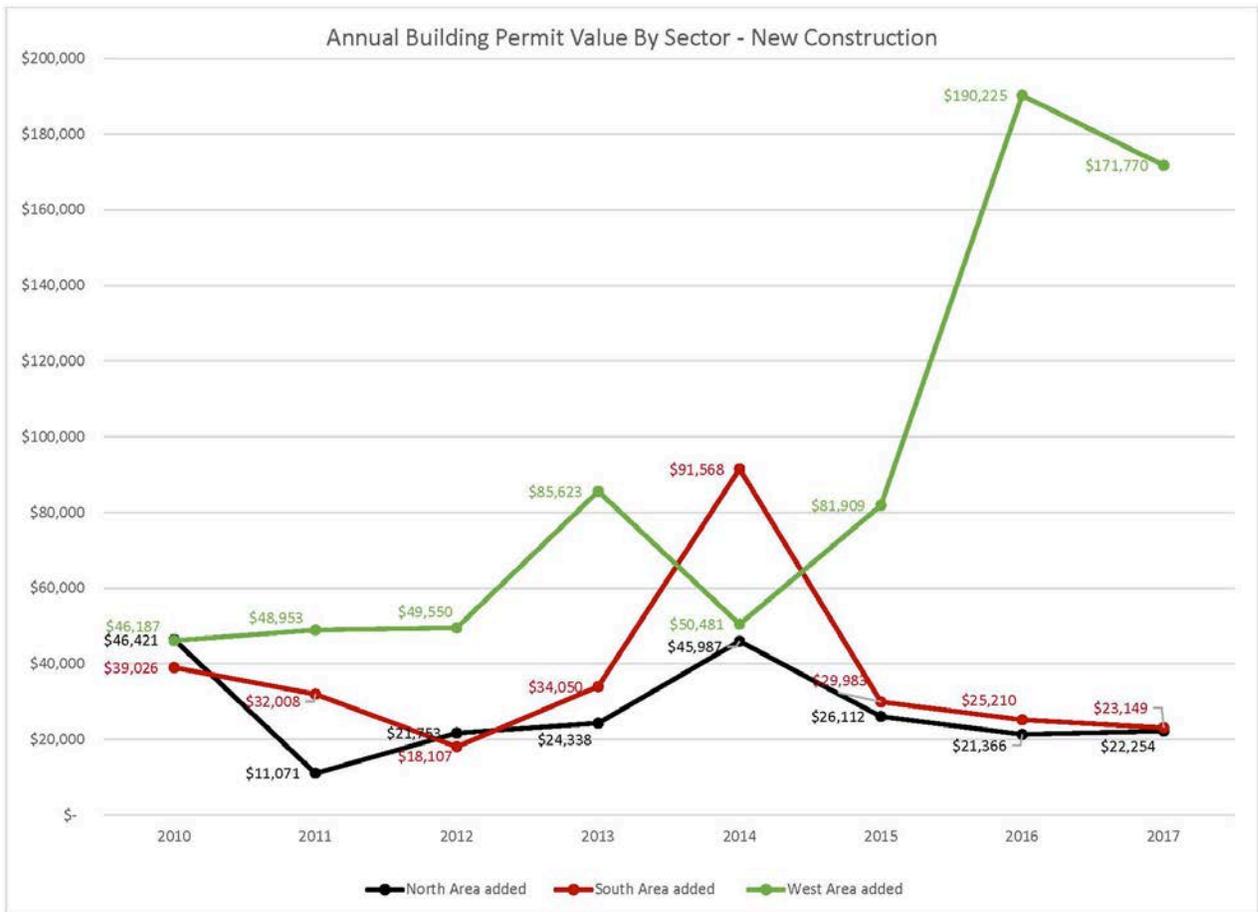


Figure 17



According to building permit data the building area of new construction, was highest in West Lethbridge amongst all City sectors for all years from 2010-2017 (see Figure 18). Like with construction values, the new construction of building area in West Lethbridge is largely because most new home construction is in West Lethbridge. The construction of new building area in West Lethbridge has also greatly outpaced that in North and South Lethbridge in recent years due to new non-residential construction projects that were recently brought on in West Lethbridge. Over this time-frame new construction in North and South Lethbridge was very similar to one another in terms of building area that was constructed, with North Lethbridge leading South Lethbridge by less than 100,000 sqft. in most years.

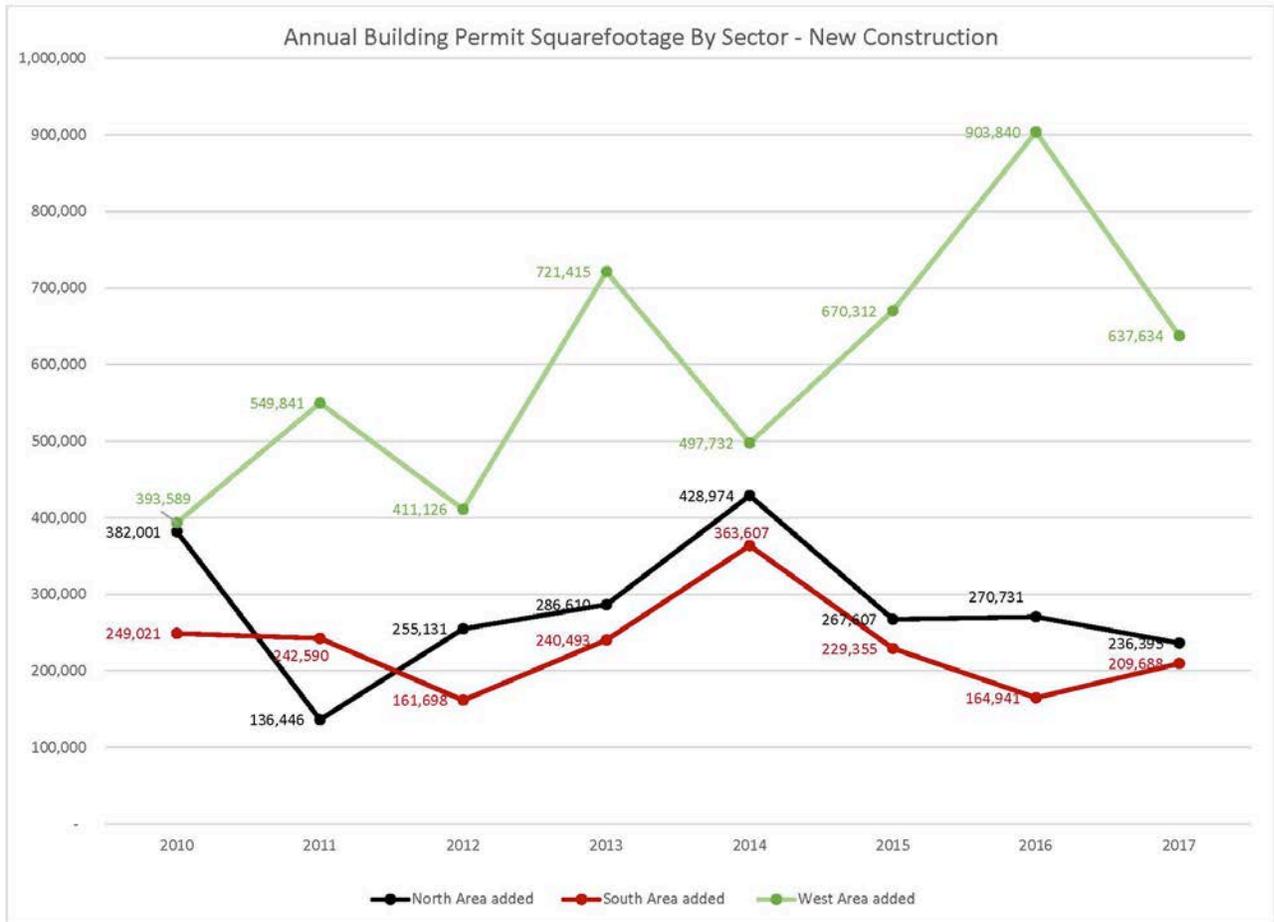


Figure 18

2.5.3 BUILDING PERMITS BY NEIGHBOURHOOD

Figure 19 shows the number, value and floor area in m² of building permits (not including renovations) issued in 2017 by Neighbourhood. If the Destination project at the University is not included, the vast majority of building construction is occurring on new, greenfield sites that have never been developed. Construction on these new sites accounts for 94% of the total building permits that were issues, 93% of the value of construction and 94% of the total floor space constructed.

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Neighbourhood	Development Status	# Building Permits Issued	\$ Value in 1,000S	Sum of area in m2
Arbour Ridge	New	6	\$1,466	1,621
Blackwolf	New	32	\$5,758	5,045
The Canyons	New	20	\$3,651	4,569
Copperwood	New	87	\$10,031	11,199
Country Meadows	New	52	\$7,001	7,555
Fairmont	New	3	\$7,250	3,005
Garry Station	New	88	\$12,364	13,111
Legacy Ridge	New	30	\$5,679	5,070
Riverstone	New	51	\$8,500	9,854
Southridge	New	1	\$284	22
Sherring Industrial Park	New	10	\$8,264	10,370
Southgate	New	30	\$6,529	7,446
Sunridge	New	2	\$135	361
The Crossings	New	25	\$3,214	3,960
W.T. Hill	New	5	\$3,669	3,344
New Subtotal		442	\$83,795	86,532
Anderson Industrial Park	Infill	1	-	307
Churchill	Infill	2	\$1,801	268
Fleetwood	Infill	2	\$252	254
Glendale	Infill	5	\$1,032	838
Henderson Lake	Infill	2	\$366	767
London Road	Infill	10	\$1,633	1,537
River Valley	Infill	1	-	67
Staffordville	Infill	2	\$742	994
University	Infill	1	\$126,767	9,007
Victoria Park	Infill	3	\$682	616
Westminster	Infill	1	\$103	95
Infill Subtotal		30	\$133,378	14,750
Grand Total		472	\$217,173	101,282

Figure 19



Most of this construction on new sites is located in developing neighbourhoods that are adjacent to major linear infrastructure corridors that have been extended prior to their development. This includes the neighbourhoods of The Crossings, Garry Station and Country Meadows which have been served by the installation of major infrastructure in the Whoop-Up Dr. W, Metis Tr. W and Garry Dr. W. corridors. Major infrastructure installed in the University Dr. corridor has facilitated development occurring in The Crossings and Riverstone and the installation of major infrastructure in the 26th Ave. N, Scenic Dr. N and 28th St. N corridors has facilitated the development of Legacy Ridge, Blackwolf and the Sherring Industrial Park. The extension of major services in the Mayor Magrath Dr. Corridor has facilitated the development of the neighbourhood of Southgate. The share of new building construction of these neighbourhoods that are at the end of the most recently installed major infrastructure accounts for 90% of the total building permits that were issued, 79% of the value of construction and 85% of the total floor space constructed that was constructed in the entire City in 2017, not including the University of Lethbridge's Destination Project.

2.6 Lethbridge Total Employment and Distribution

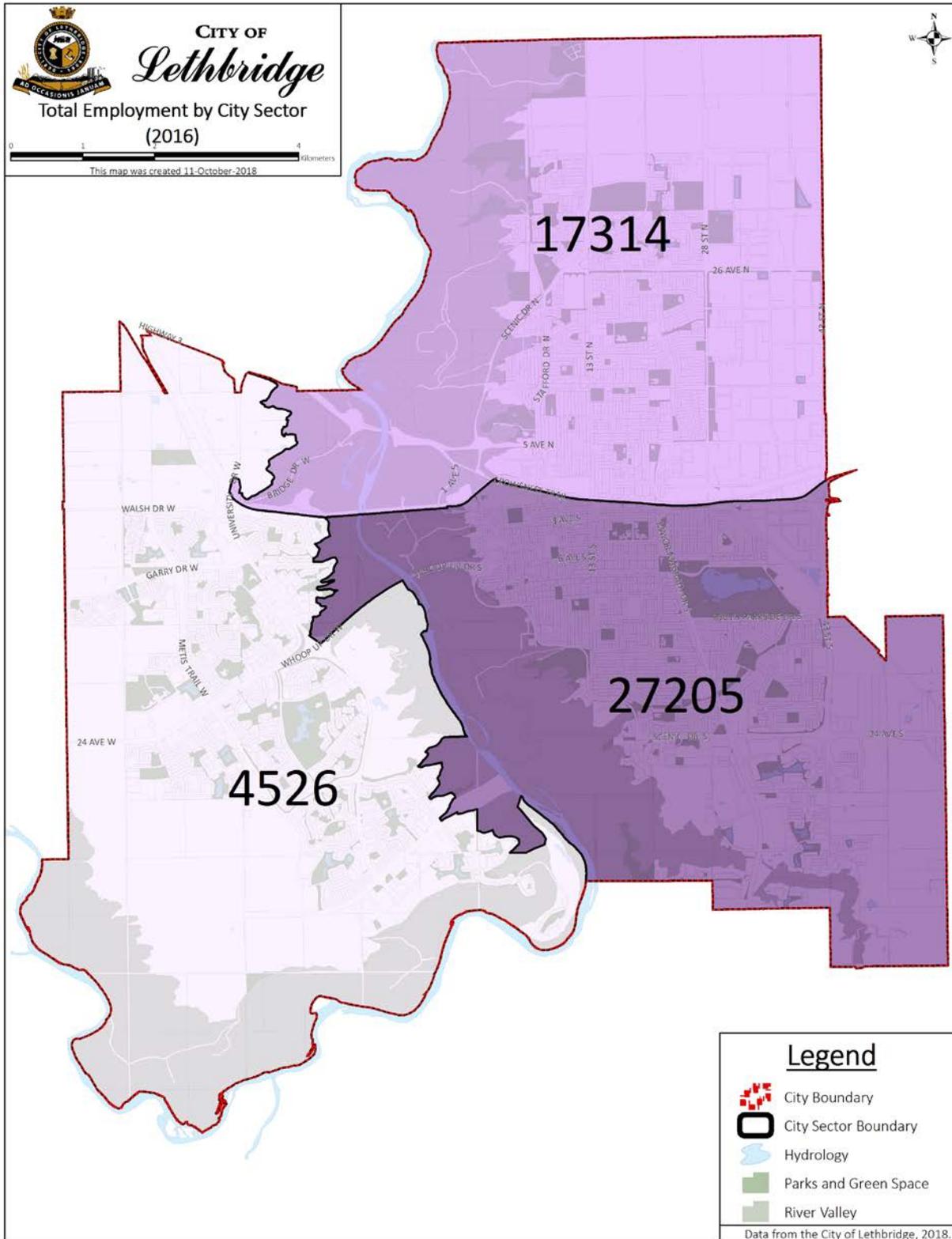
An estimate of the 2016 Federal Census found that the number of 49,045 people had a place of work within the City of Lethbridge. Using the population derived from the 2016 Federal Census of 92,729, this is a ratio of employees to population of 0.53⁵.

At this time exact figures have not been made available from the 2016 Federal Census for which sector employment is located within the City. However, estimates on employment by place of work can be obtained by looking at the results of the previous National Household Survey from the 2011 Federal Census, taking the growth in non-residential building area by City Sector and applying the total employment growth between 2011 and 2016 to this.

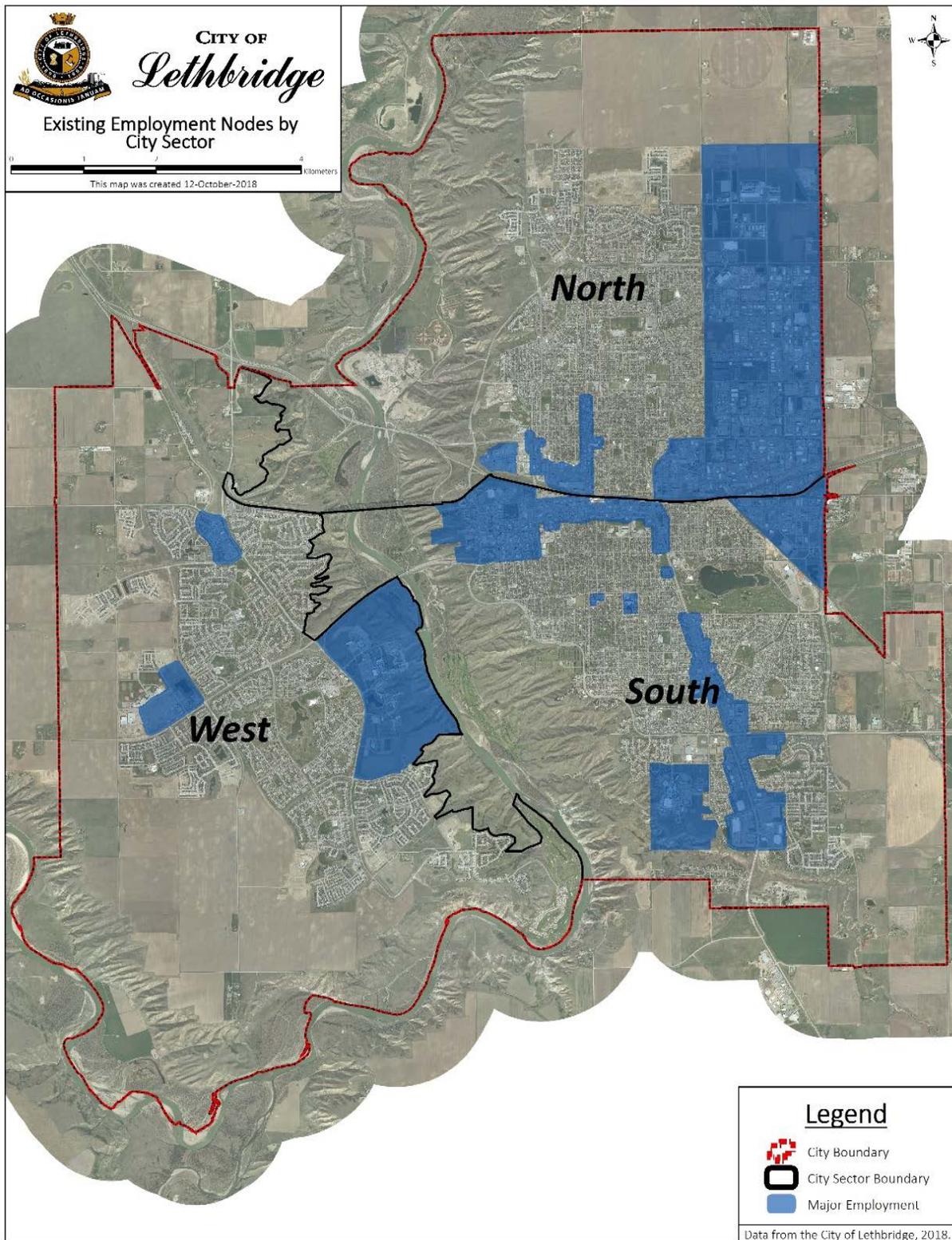
Through this method it was found that while employment is distributed throughout the City there are a few nodes such as Downtown, the Industrial Parks in the northeast corner of the City, the hospital area, and the areas around Lethbridge College and the University, which are real drivers of employment. Estimates of total employment by City Sector are shown on Map 10 and the location of major employment areas within the City are shown on Map 11.

⁵ City of Lethbridge *Lethbridge Community Outlook 2016-2023*.

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Map 10- Total Employment by City Sector - 2016



Map 11 - Major Employment Nodes by City Sector



2.6.1 EMPLOYMENT BY INDUSTRY

For the Community Outlook Report the total employment was broken down into 20 different categories of industry, based upon the North American Industry Classification System (NAICS), which is a standard classification system used by Statistics Canada. Statistics Canada supplies employment counts by NAICS category for each census. However the count for the 2016 Census was not available at the time that this Community Outlook Report was drafted. Therefore, the amount of employment per NAICS category in this report is an estimate based upon the proportion of total employment that each NAICS category had in the previous *2016-2022 Community Outlook*. This is still relatively accurate, as the proportion of total employment within each NAICS category does not significantly change from year to year. Figure 20 below shows the estimated employment by NAICS category within the City for 2016.

Category - North American Industry Classification System (NAICS)	Number of Employees by Category	% of Total Labour Force	Category Rank
11 Agriculture; forestry; fishing and hunting	399	0.8%	17
21 Mining; quarrying; and oil and gas extraction	130	0.3%	20
22 Utilities	322	0.7%	18
23 Construction	1601	3.3%	12
31-33 Manufacturing	3888	7.9%	5
41 Wholesale trade	1800	3.7%	10
44-45 Retail trade	8908	18.2%	1
48-49 Transportation and warehousing	1419	2.9%	13
51 Information and cultural industries	967	2.0%	15
52 Finance and insurance	1759	3.6%	11
53 Real estate and rental and leasing	848	1.7%	16
54 Professional; scientific and technical services	2520	5.1%	7
55 Management of companies and enterprises	274	0.6%	19
56 Administrative and support; waste management and remediation services	1866	3.8%	9
61 Educational services	4461	9.1%	4
62 Health care and social assistance	7422	15.1%	2
71 Arts; entertainment and recreation	1036	2.1%	14
72 Accommodation and food services	4596	9.4%	3
81 Other services (except public administration)	2835	5.8%	6
91 Public administration	1993	4.1%	8
Total Labour Force - population aged 15 years and over	49045	100.0%	

Figure 20- Estimated 2016 Lethbridge Employment by % of Total Labour Force - North American Industry Classification System (NAICS) Category

Within Lethbridge, the three largest employment categories were Retail Trade (8,908), Healthcare and Social Assistance (7,422), and Accommodation and Food Services (4,596). All told, these three categories composed 42.7% of all employment in Lethbridge. It is estimated that the majority of jobs within these NAICS categories are found in South Lethbridge, as it contains Downtown, the Mayor Magrath Dr.



commercial corridor and the hospital. Industrial type jobs such as Manufacturing, Transportation and Warehousing and Construction employment categories are, for the most part, found in North Lethbridge.

Educational Services also accounted for a significant number of jobs, being the fourth largest employment category with 4,461 employees. This category includes elementary and secondary school teachers as well as much of the staff employed at post-secondary institutions and South and West Lethbridge, where Lethbridge College and the University of Lethbridge are respectively located.

Mining and Oil and Gas Extraction has a relatively small business footprint in Lethbridge, with 130 employees who are employed in Lethbridge. This translates to 0.3% of all employment within the city and is the smallest NAICS category in the Lethbridge market. The relatively low number of oil, gas and mining employment highlights the fact that there are few energy companies located in Lethbridge and helps to explain why the recent downturn in oil prices has not had a large impact upon the local economy, when compared to the rest of the province. The proportion of workers that are employed in this industry in Alberta was 6.3% in 2016, making it the seventh largest NAICS category provincially. Instead Lethbridge is more akin to the national average of 1.5%, which is the third smallest NAICS category in terms of employment nationally.

It must be noted that this figure does not represent the number of people who live in Lethbridge who work in this field, as industries classified as Mining and Oil and Gas Extraction are typically very mobile. Workers may choose to live in Lethbridge, but are employed in distant places such as Fort McMurray, the Elk Valley in B.C. or even in foreign countries. While only a little over 100 jobs in this category exist in the City, just over 654 residents work in this category. To get a sense of how ordinary these employment patterns are and what impact that each industry classification has on the local economy, the proportion that each employment category consumes of local total employment was compared against the provincial and national averages. Figure 20 below compares these proportions for the 2016 year.

The employment categories of Health Care and Social Assistance and Retail Trade consistently employ the largest proportion of workers, nationally, provincially and locally. In regards to Lethbridge this is especially true as these industries employ an even greater share of the total workforce than the province and country as a whole. Retail Trade and Health Care and Social Assistance employ approximately 18% and 15% of the local workforce respectively. Educational Services also employ a high proportion of workers across all three geographic areas, particularly in Lethbridge, where 9.1% of the workforce is employed within this industry. This is due to the presence of two major post-secondary institutions within the City – the University of Lethbridge and Lethbridge College – which have a large impact on a community of less than 100,000 residents.

Lethbridge also employs a larger proportion of its labour force in manufacturing than the province as a whole (7.9% and 5.6% respectively), which also mirrors the national average of 8.7% more closely. The City of Lethbridge contained a smaller proportion of those employed in Agriculture (0.8%) than the provincial and national averages of 2.8% and 2.4%. However the Lethbridge Region or Census Metropolitan Area (CMA), which consists of the City of Lethbridge and the surrounding towns, villages and rural areas contained within the boundary of Lethbridge County employed 3,065 workers in the Agriculture, Forestry, Fishing and Hunting category, which accounts for 4.9% of the total employment within the CMA, which greatly exceeds the provincial and national averages. This outlines the importance that agriculture is to the region and is not surprising, given the amount of irrigated farmland and feedlots that operate in the area surrounding the City.



	Lethbridge	Alberta	Canada
Category - North American Industry Classification System (NAICS) 2012	% of Total Labour Force	% of Total Labour Force	% of Total Labour Force
11 Agriculture; forestry; fishing and hunting	0.8%	2.8%	2.4%
21 Mining; quarrying; and oil and gas extraction	0.3%	6.3%	1.5%
22 Utilities	0.7%	1.0%	0.7%
23 Construction	3.3%	10.4%	7.5%
31-33 Manufacturing	7.9%	5.6%	8.7%
41 Wholesale trade	3.7%	3.6%	3.6%
44-45 Retail trade	18.2%	11.0%	11.6%
48-49 Transportation and warehousing	2.9%	5.1%	4.8%
51 Information and cultural industries	2.0%	1.5%	2.3%
52 Finance and insurance	3.6%	3.1%	4.3%
53 Real estate and rental and leasing	1.7%	1.8%	1.8%
54 Professional; scientific and technical services	5.1%	7.4%	7.3%
55 Management of companies and enterprises	0.6%	0.2%	0.2%
56 Administrative and support; waste management and remediation services	3.8%	3.9%	4.4%
61 Educational services	9.1%	6.5%	7.4%
62 Health care and social assistance	15.1%	10.9%	11.7%
71 Arts; entertainment and recreation	2.1%	2.0%	2.1%
72 Accommodation and food services	9.4%	6.8%	7.0%
81 Other services (except public administration)	5.8%	4.7%	4.5%
91 Public administration	4.1%	5.4%	6.2%
Total Labour Force - population aged 15 years and over	100.0%	100.0%	100.0%

Figure 21 - Proportion of Total Labour Force by Place of Work by North American Industry Classification System (NAICS) Category – Lethbridge, Alberta & Canada Comparison

Lethbridge was particularly deficient in the proportion of workers that are employed in the Professional, Scientific and Technical Services NAICS category. Alberta and Canada, as a whole, have a 7% - 8% proportion of workers that are employed in this field, however this proportion is only about 5.1% in Lethbridge. This is significant, as careers in Professional, Scientific and Technical Services industries tend to be high paying jobs that require high levels of education with large spin-off effects. While Lethbridge's two post-secondary institutions, do not currently have the professional schools (i.e. Law, Engineering and Architecture), they do offer degrees and diplomas that lead to other careers that are found under this category (i.e. Engineering Technologist, Land Surveying, Accounting, Scientific Research). While Lethbridge is not likely to have as much of its workforce in the Professional, Scientific and Technical Services category, as the larger metropolitan areas, such as Calgary or Toronto (See Appendix A), it should also be capturing a larger proportion of this type of employment, considering that many of these types of careers begin with the graduation from some of the types of programs that are offered at the University of Lethbridge or Lethbridge College.

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Employment in Lethbridge and the Lethbridge Region is well balanced between the different sectors of the economy. Looking at the proportion of employees in the twenty different NAICS categories, Lethbridge is relatively equal, with few categories that have a dominating presence in the local market. Compared to the other 152 Census Metropolitan Areas / Census Agglomerations (CMAs/CAs) in the country, in 2016 the Lethbridge region has the 38th highest degree of balance between major employment sectors (see Figure 21 and Appendix A), which is in the top quarter of all Canadian CMAs/CAs. This also put Lethbridge in the company of larger economic engines, such as Vancouver, Toronto and Calgary, when it comes to the diversity of the local economy. On the other end of the spectrum are communities like Wood Buffalo, where over 30% of jobs are in the resource extraction industry or Petawawa, Ontario, where almost 50% of jobs are in the public service sector.

While Lethbridge does have some dominant sectors of this economy (like any other community) it is not overly reliant upon one type of industry in terms of employment. This is significant, as it means that if one economic sector experiences a decline, it is tempered by the growth seen in other sectors and that the impacts upon the local economy, as a whole, are muted.

It should be noted that having a diverse economy does not necessarily mean that the local economy is composed of a number of high paying jobs. While local employment in Wood Buffalo is often at the mercy of the natural resource sector and the whims of international commodity prices, it does have wages that tend to greatly exceed the national average. Employment in retail trade, accommodation and food services and arts entertainment and recreation makes up a large proportion of employment at the national level, but these jobs tend to offer low wages. This being said, Lethbridge's diverse economy does help to explain why Lethbridge has seen consistent population and economic growth through both bad and good years of the provincial economy and has generally avoided the pitfalls of both stagnant growth and extreme growth that tests resources and infrastructure.

Rank - Most to Least Variance	2 Digit NAICS Name	Variance
1	Calgary	0.00105
2	Vancouver	0.00108
3	Toronto	0.00112
4	Oshawa	0.00113
5	Regina	0.00114
6	Okotoks	0.00114
7	Strathmore	0.00119
8	Edmonton	0.00122
9	Abbotsford - Mission	0.00123
10	Saskatoon	0.00125
11	Swift Current	0.00125
12	Lacombe	0.00127
13	Montréal	0.00131
14	Moncton	0.00131
15	Kamloops	0.00131
16	Williams Lake	0.00132
17	Chilliwack	0.00133
18	Prince George	0.00134
19	Saint John	0.00136
20	Estevan	0.00137
21	Barrie	0.00138
22	Medicine Hat	0.00138
23	Winnipeg	0.00138
24	Kawartha Lakes	0.00139
25	Fort St. John	0.00139
26	Wasaga Beach	0.00139
27	Kelowna	0.00141
28	St. Catharines - Niagara	0.00142
29	Halifax	0.00142
30	Moose Jaw	0.00143
31	Cranbrook	0.00144
32	Hamilton	0.00144
33	High River	0.00144
34	Grande Prairie	0.00145
35	Chatham-Kent	0.00146
36	Sarnia	0.00147
37	Rouyn-Noranda	0.00147
38	Lethbridge	0.00147
39	St. John's	0.00150
40	Greater Sudbury	0.00151
41	Red Deer	0.00152
42	Sept-Îles	0.00152
43	Brooks	0.00153
44	Sylvan Lake	0.00153
45	Campbell River	0.00153
46	Duncan	0.00153
47	Parksville	0.00154
48	London	0.00154
49	Port Hope	0.00154
50	Weyburn	0.00155

Figure 22 - The 50 (out of 152) Most Balanced Census Metropolitan Areas/Census Agglomerations in Canada -2016



2.6.2 CITY-WIDE DISTRIBUTION OF EMPLOYMENT BY INDUSTRY

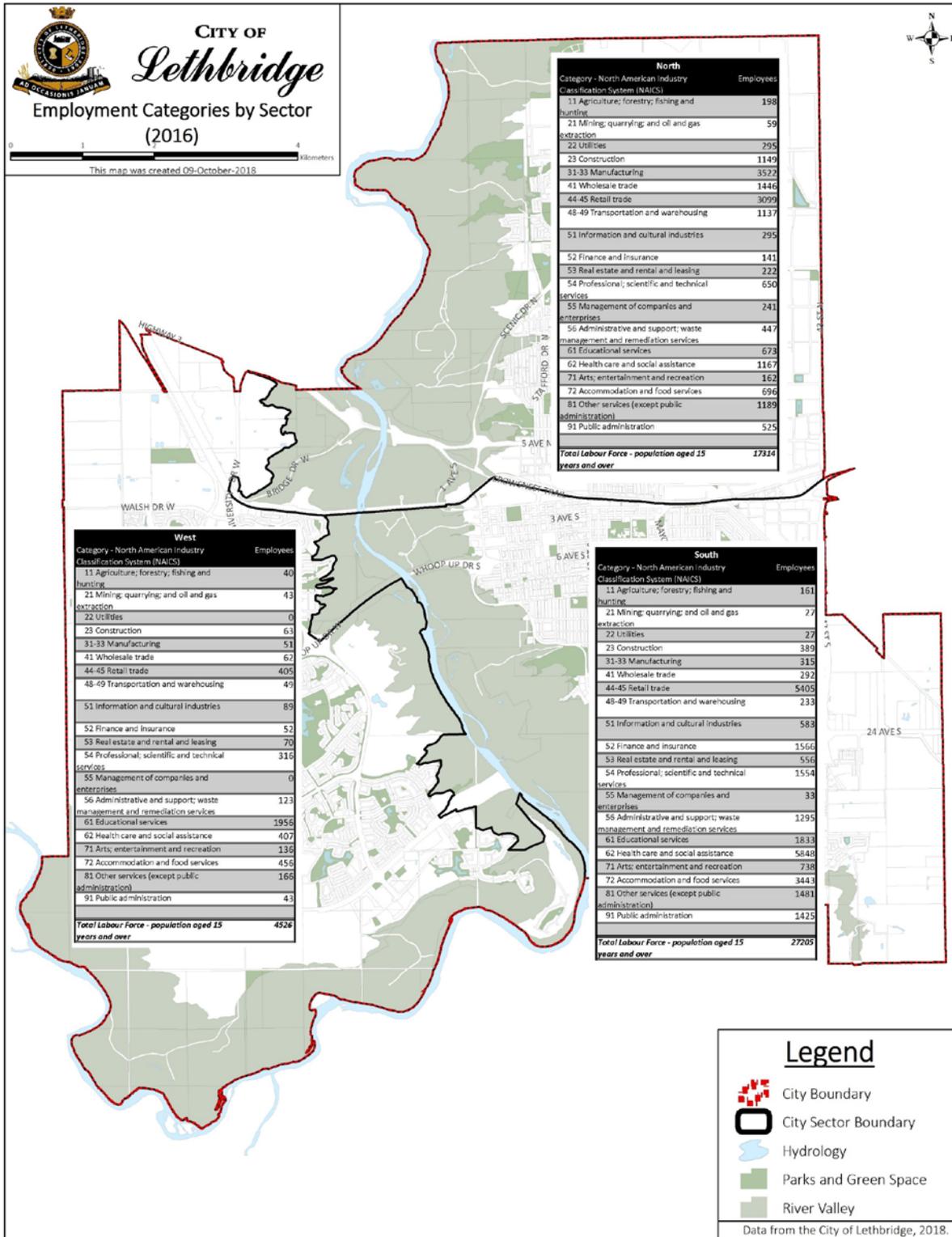
Map 12 on the following page shows the distribution of employment by NAICS category based on City Sectors for 2016.

Currently South Lethbridge has the highest number of Employees in the City, with 27,205 employees as it contains major employment nodes, such as Downtown, the Hospital area, and the area near Lethbridge College. South Lethbridge also has the majority of jobs in the finance, professional, public administration healthcare, accommodation & food service and retail fields. Jobs in the finance, professional and public administration fields tend to locate Downtown, while jobs in the retail, accommodation and food service industries also tend to locate Downtown and along the Mayor Magrath Dr. commercial corridor. The vast majority of jobs in the healthcare field are located in South Lethbridge, in and around the hospital and in Downtown. South Lethbridge also contains a significant proportion of jobs in the education and social assistance fields, as this sector of the City contains Lethbridge College and a number of schools.

North Lethbridge contains the City's major industrial parks and has the second highest number of total employees for all City sectors. Expectedly North Lethbridge also contains the majority of jobs in construction, manufacturing, wholesale trade and transportation & warehousing. While South Lethbridge contains the majority of retail jobs, North Lethbridge also contains a considerable proportion at 35%. Many of these retail jobs are located along the 13th Street North corridor and at the Smart Centres retail power centre in the Sherring Industrial Park.

Despite having the most people living in this sector, West Lethbridge has the fewest number of employees of any sector of the City, with 4,526 employees. Other than the University, there are no other large employers who are located in this sector of the City and few retailers. Due to the University of Lethbridge and a number of schools located in West Lethbridge, it does have the largest number of employees in the education services field of any of the other City Sectors, with 1,956. Employment in the educational services field alone accounts for nearly half (43%) of all jobs that are based in West Lethbridge.

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Map 12 - Employment by NAICS Category based on City Sector



2.7 E-Commerce

One of the largest trends in retail is the rise of e-commerce which is continuing to change the way people shop. While e-commerce made up only 2% of total retail sales in Canada in 2016, the trend is quickly growing with annual online sales increasing 15% compared to 3% increase in sales for brick-and-mortar stores. e-commerce is changing the way retailers store and move their products as well, with more stores beginning to carry less in stock and are shifting to ordering product on-demand as customers buy online. This rapid adoption of online shopping will change the space requirement and layout of many retailers “as smaller storefronts are required for the shopping experience”⁶. The changes in store size will also impact the back end of the supply-chain management system, causing increased demand and importance of distribution centres as part of the retail industry. Looking forward Lethbridge has opportunities to capitalize on this growth of distribution centres, especially in the West Lethbridge Employment ASP or the Southeast ASP areas which are planned for future light and medium industrial development which can include warehousing and distribution services.⁷⁸ This area may be ideally suited for future retail distribution centres given its proximity to Highway 3.

While e-commerce is reducing the size of brick-and-mortar stores, it is not eliminating their role in the retail industry. The role of retail stores rather is being altered as e-commerce creates “a following of customers, translating to a physical store presence”⁹. Retailers who were once exclusively online are now expanding to physical stores as well; a phenomenon known as ‘clicks-to-bricks’. Online stores moving to a physical store presence blurs the edges between online and brick-and-mortar shopping.

Overall, while the development of physical retail space has been slowing in recent years, physical stores still have their place in the industry for a number of reasons. While brick-and-mortar stores are currently trending to developing smaller stores, their overall sales are not in decline, but are still growing, albeit at a slower pace than online shopping. There are also commercial forms of development that are often included as retail, but do not have an online replacement that is equal, such as restaurants, grocery stores and hotels. This may mean that demand for retail space in Lethbridge will slow, but will not disappear with the rise in e-commerce. The introduction of ‘clicks-to-bricks’ stores may also help to generate demand for retail space or may help to absorb some of the recent loss in brick-and-mortar store sizes. While customers are increasingly shopping online “the requirement for a physical and tangible shopping experience will persist based on consumer desires.”¹⁰. In addition, e-commerce may provide opportunities for potential distribution centres in Lethbridge as well.

⁶ MXD Development Strategies. *Lethbridge Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge may 3, 2017

⁷ West Lethbridge Employment Centre Area Structure Plan, page 31.

⁸ Southeast Area Structure Plan, page 47.

⁹ MXD Development Strategies. *Lethbridge Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge may 3, 2017

¹⁰ MXD Development Strategies. *Lethbridge Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge may 3, 2017



2.8 Solar Energy Generation

Currently Canada has an installed solar capacity of 2,100 MW which generates 3 TWh of electricity annually, and 98% of these installations are located in Ontario. However, The Alberta Renewable Energy Act of 2017 establishes a target for Alberta to have 30% of energy needs produced from renewable sources, such as solar, by 2030 which could have implications for Lethbridge. Lethbridge is uniquely suited for solar farms as the City is located in one of the sunniest regions of Canada receiving over 2,500 total hours of bright sunlight a year, which is much higher compared to Vancouver. Figure 23 shows that Lethbridge is located in an area with some of the highest solar power potential in Canada. Figure 24 from Natural Resources Canada estimates the amount of electricity that can be generated by photovoltaic arrays in Lethbridge. The Natural Resources Board explains that “These values provide photovoltaic potential of Canadian municipalities for each fixed surface orientation, on a monthly and yearly basis.”¹¹. As shown in Figure 24, PV panels can generate excellent amounts of electricity, depending on variables such as angle, location time of year etc.

- 1 Regway SK, 1384
- 2 Wild Horse AB, 1373
- 3 Waskada MB, 1370
- 4 Rainy River ON, 1265
- 5 Elkford BC, 1236
- 6 Quyon QC, 1208
- 7 Chatham NB, 1168
- 8 Chesterfield Inlet NU, 1158
- 9 Mimingash PE, 1136
- 10 Fort Smith NT, 1126
- 11 Amherst NS, 1125
- 12 Wabush NF, 1074
- 13 Burwash Landing YT, 1056

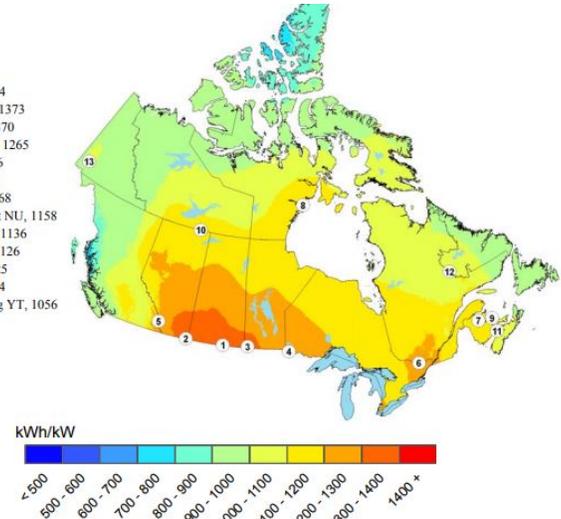


Figure 3: Yearly PV potential map for latitude tilt and the 13 “PV hotspots” in each province and territory in Canada.

Figure 23 - Solar Power Potential Across Canada
Source: Solar Energy Society of Canada

Municipality	month	PV potential (kWh/kWp) South-facing tilt=latitude	PV potential (kWh/kWp) South-facing tilt=lat+15°	PV potential (kWh/kWp) South-facing tilt=lat-15°
Lethbridge	January	82	88	71
Lethbridge	February	93	96	85
Lethbridge	March	120	118	116
Lethbridge	April	124	114	127
Lethbridge	May	126	110	136
Lethbridge	June	127	109	141
Lethbridge	July	139	120	153
Lethbridge	August	134	120	141
Lethbridge	September	124	118	123
Lethbridge	October	116	117	108
Lethbridge	November	78	83	70
Lethbridge	December	68	73	59
Lethbridge	Annual	1330	1265	1330

Figure 24 - Lethbridge Photovoltaic Electricity Production Potential
Source: National Energy Board of Canada

¹¹ 2006. The Development of Photovoltaic Resource Maps for Canada. Solar Energy Society of Canada. Accessed from https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/canmetenergy/files/pubs/2006-046_OP-J_411-SOLRES_PV%2Bmap.pdf



There are 2 major types of solar energy projects that could be pursued in Lethbridge: photovoltaic cells (PV), and Concentrated Solar Power (CSP). The Concentrated Solar Power projects use a system of mirrors (solar reflectors as opposed to solar absorbers in PV systems). These mirrors “are used to focus sunlight on a receiver that collects thermal energy to produce electricity, typically by driving a steam generator”¹². These mirrors can be arranged in a number of ways from linear to dish to movable mirrors. This format is less common however as the CSP technology requires cooling systems and steam-powered generators, which add additional cost; however they are more useful for creating heat to heat buildings and homes. Photovoltaic cells are the format typically used on tops of buildings and are a much more common form of solar energy generation. These panels directly convert sunlight into electricity, and can also be used in large ‘solar farms’. According to the National Energy Board, the main impediment of PV solar generation is cost, with an average cost of 23 cents per kWh, which is much higher than the cost of other renewable energy production such as wind, hydro or biomass. The Board notes that “PV module costs have fallen from \$6.18/watt in 2004 to \$0.85/watt in 2014. Despite this, solar energy is still costly compared to conventional sources of power generation and those costs remain a barrier to the technology’s widespread adoption”¹³. While Photovoltaic cells lifetime costs are higher than other renewables, the technology costs roughly 13% of what it did in 2004 which is likely to continue to go down as technologies improve.

2.8.1 SOLAR MICRO-GENERATION

In 2017 Lethbridge had a total of 67 solar energy micro-generation installations with a maximum generating capacity of 497 kW, as shown in Figure 25. The number of solar energy micro-generation installations and the overall generating capacity have increased dramatically within the City in recent years, which is likely due to the plummeting cost of solar panels. This was especially true between 2016 and 2017, when 25 new solar installations were built with an increase of generating capacity of 330 kW - a one year increase of 60% in the total number of installations and 200% in the total amount of generating capacity¹⁴. This rapid increase in the number of solar micro-generation since 2016 has also been due to large provincial government subsidies that were introduced in 2016 to encourage the installation of micro-generation facilities

Despite the recent uptake in the solar micro-generation, these facilities have a long way to go to power a considerable proportion of the City’s total electrical needs. According to the City of Lethbridge Electric Department, in 2017 the City of Lethbridge consumed a total of 814,626 MWh in 2017. If the existing solar micro-generation installations were able to run at full-capacity all of the time they would provide for 0.5% of the City’s total electrical needs. This is compounded by the fact that, due to the weather and the seasonal variations in terms of daylight hours, solar cannot operate at full generating capacity most of the time, so the actual percentage that solar micro-generation provides for the total city-wide electrical needs is less than 0.5%.

¹² Alberta Energy and Parks. 2017. Wildlife Directive for Alberta Solar Energy Projects. Page 3. Accessed online from: <http://aep.alberta.ca/fish-wildlife/wildlife-land-use-guidelines/documents/Directive-SolarEnergyProjects-Oct04-2017.pdf>

¹³ National Energy Board. 2018 Canada’s Adoption of Renewable Power Sources- Energy Market Analysis. Accessed online from: <https://www.neb-one.gc.ca/nrg/sttstc/lctrct/rprt/2017cnddptnrnwblpwr/slr-eng.html>.

¹⁴ City of Lethbridge Electric Department. *Solar Micro-Generation Installations to December 31, 2017* (accessed: April 3, 2018).

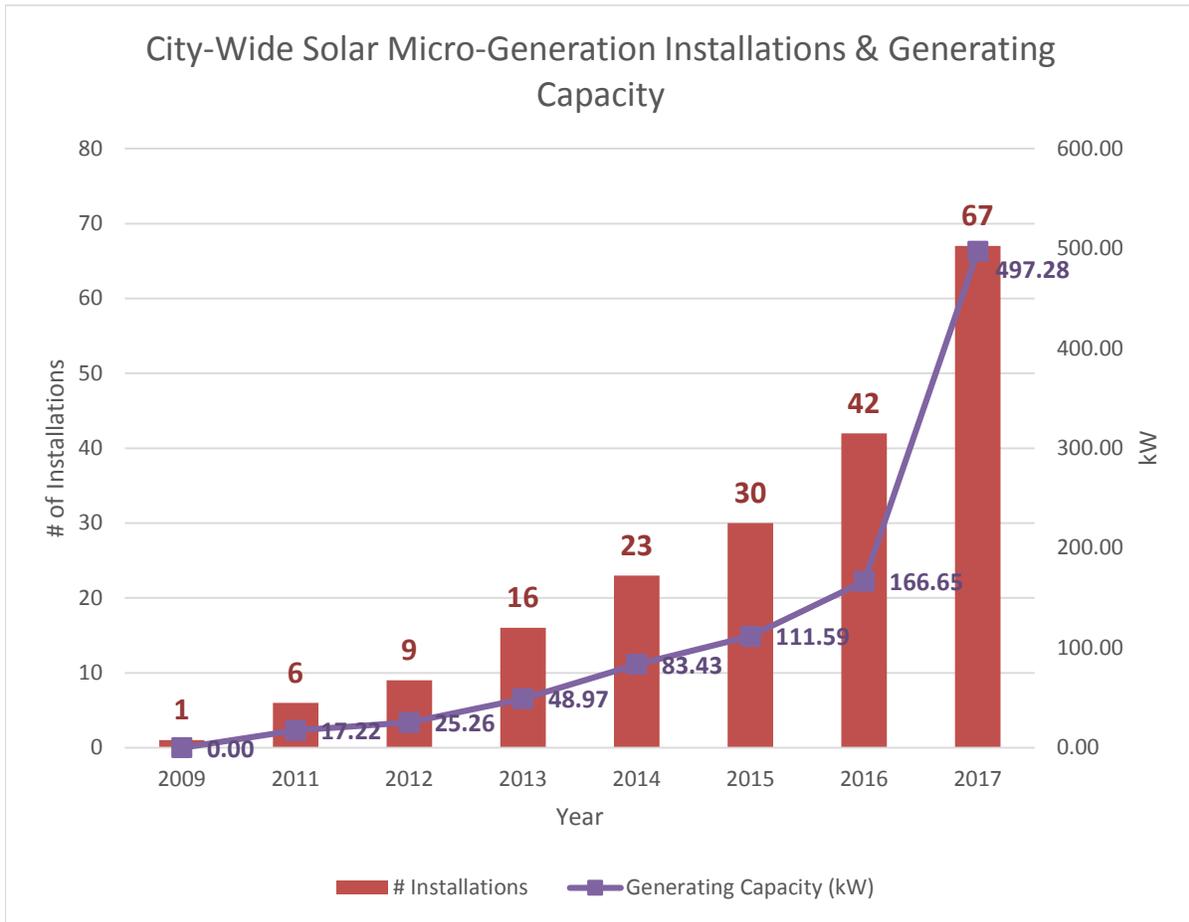


Figure 25

On a City sector basis, South Lethbridge has more solar micro-generation facilities and a larger generating capacity than either North or West Lethbridge, with 30 installations and a generating capacity of 223 kW (see Figure 26). North Lethbridge has the lowest number of installations and has the majority of the City’s existing industrial space. Industrial and large-scale institutional uses (University, Hospital etc.) accounted for almost half (343,255MWh) of the City’s annual electrical consumption in 2017¹⁵, but solar installations have not yet been included in much of the industrial development where it could have a larger impact. However North Lethbridge includes one industrial facility that, in 2017, installed the City’s largest solar installation

Sector	# of Installations	Generating Capacity in kW
North	11	169.18
South	30	222.625
West	26	105.475
Grand Total	67	497.28

Figure 26

¹⁵ Alberta Utilities Commission. Year 2017 Electric Energy Distribution Sales and Number of Customers. (January 16, 2018)



which has a generating capacity of 133 kW. This solar installation provides 25% of this industrial facility's electrical needs and has an expected pay-back of 9 years.

2.8.2 INTERIM SOLAR FARMS

Solar Farms are an excellent way to utilize land that is awaiting future urban development of the City, and the solar industry is growing rapidly. Additionally, as part of Alberta's effort to reach 30% renewable energy by 2030 the Alberta Government is offering subsidies for large projects and local installations on buildings. Local installations can receive rebates to residents and business owners through the Alberta Energy Efficiency Program; while large renewable projects are subsidized on a competitive auction-style basis which requires companies to submit proposals¹⁶. This program could provide incentives needed to develop solar farms in Lethbridge.

Given the trend in rapidly declining costs of solar, the technology may become a viable option for power generation on land that will remain undeveloped for a number of years. Solar panels generally have a lifespan of 20-25 years which means they could provide a good interim land use for areas not likely to see urban development for this same timeframe and beyond. Large solar farm projects in Lethbridge could follow the precedent being set in Vulcan County. The project, called 'Vulcan Solar Project' from EDF Renewables is proposing to construct a photovoltaic farm in a very remote area of the County. The project will require 960 acres of land, with a total cost of \$155 million for the project. When complete the project will be the largest solar project in Western Canada and will generate 77 MW of electricity (equivalent to roughly 12,000 homes).¹⁷ A solar farm would also need to meet provincial regulations including from Alberta Environment and Parks regarding site location. These regulations reduce negative impacts to surrounding wildlife and ecosystems and state that solar farms "*should not be sited in areas of native grasslands, native parkland, old growth forest stands, named water bodies, valley breaks (including coulees)*"¹⁸. Generally this means that the location of interim solar farms in Lethbridge would be ideal in much of the land above the river valley that has been cultivated and where development is not anticipated for at least another 20-25 years.

Overall, the combination of high amounts of annual sunshine, large amounts of land awaiting urban development, as well as future price reductions from technology advances and potential subsidies provide a great case for developing solar farms as an interim use on much of the land in Lethbridge that has not yet been developed. Map 13 shows areas within the City that likely meet this criteria.

¹⁶ Alberta Government. 2018. Renewable Electricity Program. Accessed online from: <https://www.alberta.ca/renewable-electricity-program.aspx>

¹⁷ Alberta Government. 2018. Vulcan Solar Project. Accessed online from: <http://majorprojects.alberta.ca/details/Vulcan-Solar-Project/2086>

¹⁸ Alberta Energy and Parks. 2017. Wildlife Directive for Alberta Solar Energy Projects. Page 6. Accessed online from: <http://aep.alberta.ca/fish-wildlife/wildlife-land-use-guidelines/documents/Directive-SolarEnergyProjects-Oct04-2017.pdf>



2.9 Tourism

The Alberta South Tourism Region encompasses most of southern Alberta, including Lethbridge, Waterton National Park, Dinosaur Provincial Park and Medicine Hat, but excluding Calgary. Lethbridge is the largest City in this region and has many of its tourist facilities.

In 2012 the Alberta South Tourism Region had 4.77 million visitors, spending \$734 million and supporting 10,185 full-time equivalent jobs. In comparison to other regions in the province, the Alberta South Tourism Region is not a hub for international visitors, as only 1% of visits originate from outside of the United States or Canada. The vast majority of visitors within the region (75%) are relatively local as they originate from other parts of Southern Alberta or Calgary with 51% of visitors travelling to visit friends and relatives. 39% of visitors travel for pleasure and only 4% of visitors travel for business.¹⁹ More specifically, according to the Lethbridge Destination Management Plan a number of visitors travel to Lethbridge for the following reasons:

- 1. Sport Tourism:** the City has many sport tourism facilities that draw visitors to Lethbridge from a range of places. These facilities include 5 regional level sport tourism facilities, 18 provincial, 19 national and 3 international level sport tourism facilities. These facilities will continue to draw people to Lethbridge, and with the ATB Rec Centre nearing completion in 2019 this will draw even more people to the City for sport tourism.
- 2. Business Travel:** Lethbridge has 27 spaces that host business events such as meetings, conventions and exhibitions, most of which are in hotels. While a large scale convention centre has not yet been developed, the Lethbridge Exhibition supports many exhibitions and events in the interim. In total the City boasts 316, 319 square feet of meeting space which would accommodate roughly 10,105 business travelers.
- 3. Festivals and Events:** this includes the popular Whoop-Up Days, International Air Show, International Peace PowWow and the Lethbridge Farmers Market, as well as trade shows and the Ag Expo at Exhibition Park.
- 4. Nature-based, adventure & eco-tourism:** Lethbridge has roughly 85 nature-based adventure & eco-tourism features, the largest one being the river valley that stretches 1.6 km wide and is 300 feet deep. This unique natural attraction could benefit from greater promotion to tourists.
- 5. Cultural. Heritage and Arts:** Lethbridge has 22 different cultural, heritage and arts features the city has a mix of features supporting an emerging arts sector. Most of these features are concentrated in the city Downtown core.

¹⁹ Lethbridge City Council Tourism Strategy Committee & Stantec Consulting Ltd., *Lethbridge Destination Management Plan*, September 2016



- 6. Regional Tourism:** As the largest City in southern Alberta, Lethbridge is the hub for travelers to many of the popular attractions in the region. These attractions include: Waterton Lakes National Park, Crowsnest pass, Head-Smashed in Buffalo Jump, and Writing-on-Stone Provincial Park.²⁰

The location of major tourism asset within the City are shown on Map 14. Nearly all of the City's cultural facilities and meeting and event facilities are located in South Lethbridge, with a predominance of these facilities located in and around the Downtown core. North Lethbridge and West Lethbridge do not have many of these facilities, however they do have a number of major sports facilities.

2.9.1 CULINARY TOURISM

Culinary tourism is a popular trend around the world in which tourists are attracted to a locale to taste, celebrate and experience the food of local farmers/growers and local independent restaurants and chefs. *The Commercial and Industrial Development Study* by MXD Development Strategists suggested that the practice of “farm to table” cuisine, where food is prepared from sustainable local ingredients and local producers is a growing trend. It also cited a Tourism Industry Association of Canada study that found that 35% of Canadians would travel primarily for culinary reasons and over 50% of Canadians consider food and beverage offerings in narrowing down their destination choice²¹. These culinary travelers are often a younger and more affluent generation who are looking for an authentic taste and experience, and learn much about the culture and history of a place through its food (as food is often enjoyed in a social atmosphere). On average, culinary travelers spend roughly \$425 (or 36% of total travel budget) on food related activities.²²

2.9.2 INDIGENOUS TOURISM

One expanding segment of the national tourism industry is Indigenous tourism, which is defined by the Indigenous Tourism Association of Canada (ITAC) as being “all tourism businesses majority owned, operated and/or controlled by First Nations, Métis or Inuit peoples that can demonstrate a connection and responsibility to the local Indigenous community and traditional territory where the operation resides”²³. This is an all-encompassing term that can include cultural tourism, which is further defined as, “*tourism where a significant portion of the experience incorporates Indigenous culture in a manner that is appropriate, respectful and true to the Indigenous culture being portrayed. The authenticity is ensured through the active involvement of Indigenous people in the development and delivery of the experience.*”²⁴ Indigenous tourism can also include hotels, resorts and gaming, such as the Grey Eagle Resort and Casino near Calgary or the Sawridge Inn chain of hotels in northern Alberta.

²⁰ Lethbridge City Council Tourism Strategy Committee & Stantec Consulting Ltd., *Lethbridge Destination Management Plan*, September 2016

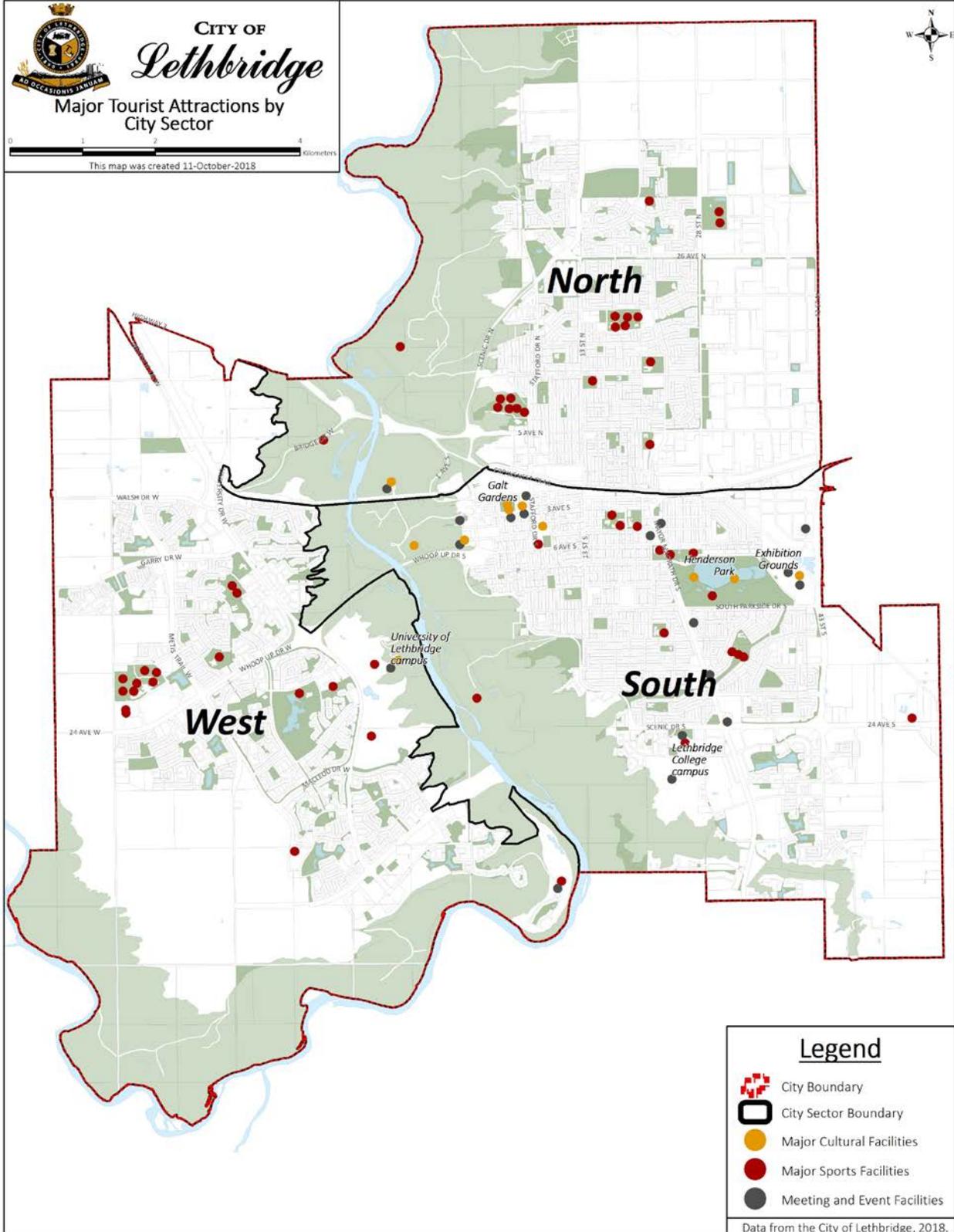
²¹ Deloitte & Tourism Industry Association of Canada. “Culinary Tourism – Food and Beverage” *Navigate*. Vol 4. Summer 2012

²² Ibid

²³ Indigenous Tourism Association of Canada. *The Path Forward, Five Year Plan 2016-2021*.

²⁴ Ibid

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Map 14 – Major Tourism Assets by Sector



Indigenous tourism provides an additional revenue stream to first nations. According to ITAC, the number of Indigenous owned tourism businesses doubled and the number of workers employed by this sector tripled (12,566 to 33,100 employees) between 2002 and 2015. In 2015 Indigenous tourism in Canada contributed \$1.4 billion to the national GDP. ²⁵

ITAC foresees the continued rapid development of the Indigenous Tourism Sector in Canada into the future. By 2021 they have a target to increase the Indigenous Tourism contribution to the national GDP by \$300 million over the 2015 figure to \$1.7 billion and to increase the number of workers employed by the Indigenous Tourism sector to 40,233. ITAC also has a goal of adding 50 additional export-ready Indigenous tourism experiences, festivals and events from the 80 that existed in 2015. ²⁶

Within the City, Indigenous Tourism is relatively untapped at this time, however the Galt Museum and Fort Whoop-Up offer Indigenous cultural programs and interpretative elements. Lethbridge could also serve as a hub for hospitality services to those who are visiting the broader region to take part in Indigenous Tourism activities.

2.10 Hotel Occupancy

2.10.1 HOTEL OCCUPANCY - EXISTING

According to the *Lethbridge Commercial and Industrial Study*, which was drafted by MXD Development Strategists in 2017, the City is serviced by a total count of approximately 1,406 hotel rooms²⁷. Hotels in Lethbridge are mainly in the 2 – 3.5 star range and are concentrated in the south sector of the City within proximity to major highways. Within this there are three main clusters of hotels in the City - Downtown, along Mayor Magrath Dr. S, and in the W.T. Hill Business Park. Map 15 shows the location of all existing (as of 2017) hotels in the City. There are currently no 4-star hotels in Lethbridge and despite the presence of the University of Lethbridge and new development activity in the area, there are no hotels in West Lethbridge.

There are no new hotels in the Downtown, however the Lethbridge Lodge Hotel & Conference Centre was recently purchased by the Sandman Hotel Group and is currently undergoing renovations to upgrade interior finishes. Four hotels have been constructed within the W.T. Hill Business Park within the past ten years. The majority of lodging establishments along Mayor Magrath Dr. S were initially developed in the 1960's and 1970's in the motel format. Some of these have been recently renovated. The exception to this are three hotels that have been constructed at its southern extent within the past twenty years.

As stated in the *Lethbridge Commercial and Industrial Study*, the recent influx of new hotels, all in close proximity to each other in the W.T. Hill Business Park, has likely had a significant effect on the local hotel market drawing visitors and overnight guests out of Downtown. This new hotel development has also had the effect of bringing local hotel occupancy rate down to approximately 48%. Comparatively the national hotel occupancy average was much greater at 65% in 2016 and typically a local hotel market in North

²⁵ Ibid

²⁶ Ibid

²⁷ MXD Development Strategists. *Lethbridge – Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge May 3, 2017



America requires a minimum occupancy rate of 70% to warrant additional hotel expansion. Based on this differential in 2016 Lethbridge had an excess of 304 hotel rooms.

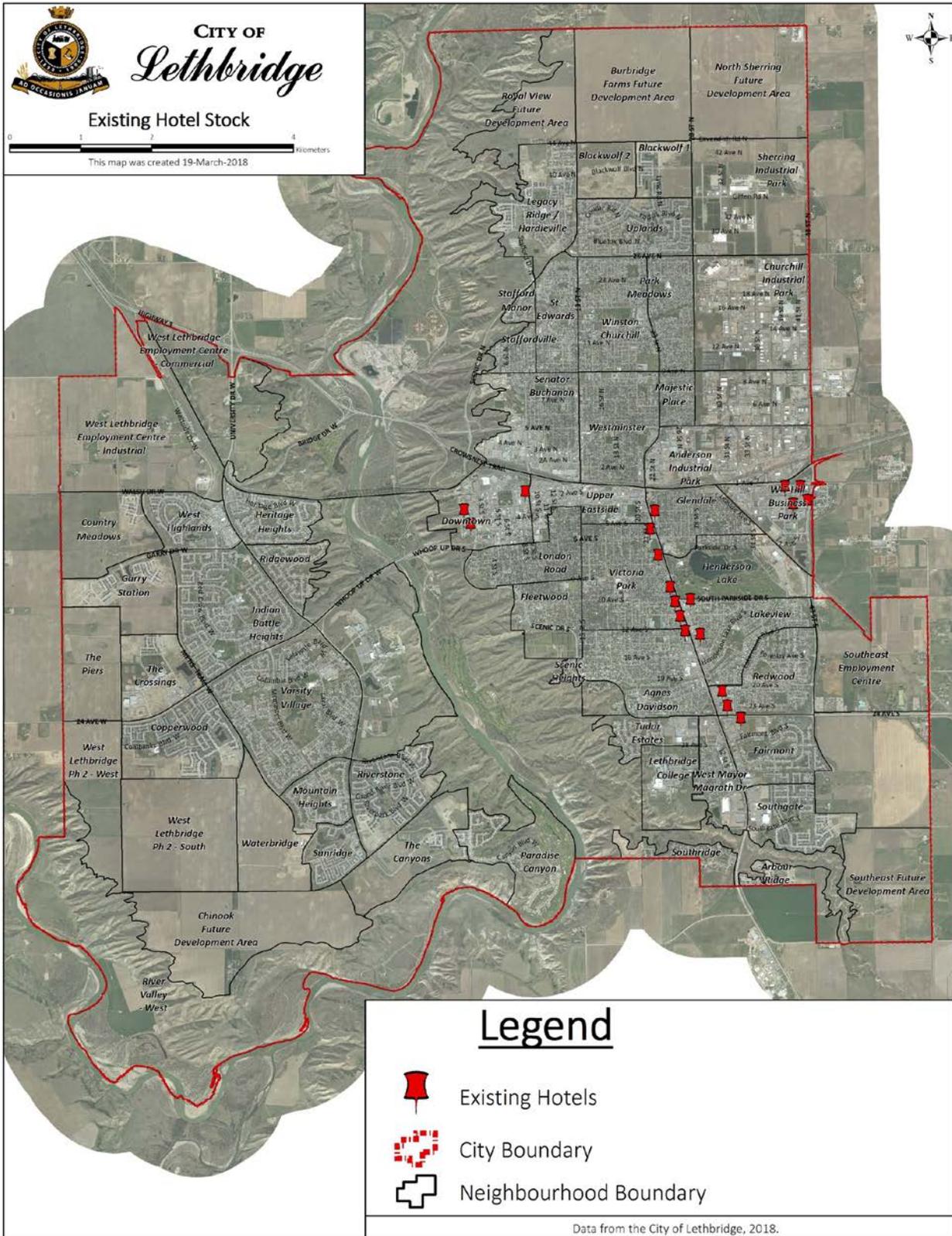
Within the province, the recent recession has seen the price index of business accommodations decline since 2014. However, as of late 2017, the price index of leisure accommodations has rebounded to an all-time high²⁸. Leisure accommodations include hotel stays for tourism and sports events and it is possible that this increase in the price index for leisure accommodations may be driving the continued development of hotel properties in Lethbridge, despite the already saturated market.

2.11 Airport

The Lethbridge Airport was previously owned and operated by Lethbridge County, however control was recently passed over to The City of Lethbridge in early 2018. Due to its larger population and economic footprint, the City has a greater vested interest in the role of the airport than the County and has more resources to manage and upgrade the airport.

An airport master plan is currently underway, so any potential future upgrades to the airport and their benefits are not precisely known at this time. With future upgrades at the airport it is possible that there will be more pressure to increase the development of land at and around the airport. It is unknown as to what kind of impact that this possible future commercial and industrial development will have upon development within the City. The recently completed *MXD Commercial and Industrial Study* identified an increase of 950,000 sqft of heavy industrial/manufacturing space in the urban fringe areas of the City, but did not identify more specific locations or types of development. Future commercial/industrial economic or development studies should consider the impact that any potential development at or around the airport will have upon development within the City. Existing studies (such as the recently completed *MXD Commercial and Industrial Study*) could also be amended to consider this issue.

²⁸ Statistics Canada. *Table 332-0026 - Traveller accommodation services price index, monthly (index, 2013=100)*, CANSIM (database). (accessed: November 15, 2017)



Map 15 - Location of Existing Hotels



Chapter 3.0 Projections

3.1 Lethbridge Gross Domestic Product Projection

As the population of the Lethbridge region grows so too will the Gross Domestic Product (GDP). The following methods were used to project the Lethbridge region's GDP over the next 40 years:

- Extrapolating the average annual GDP growth rate of 2.55% that was seen between 2008 and 2016. This average growth rate accounts for both declines and growth in the projected GDP as it is based on a time period that included a sharp contraction in GDP between 2008 and 2009 of -4.0% and moderate, but steady growth for the following years.
- Using the Organization for Economic Co-operation and Development's long term projection of Canada's annual GDP Growth from 2017 – 2057. This projection varies from year to year, but averages to be almost 2.00% per year over this time frame. The national Projection was used in this report instead of the provincial projection as it appears as though Lethbridge's local economy is closer to that of the Country as a whole, compared to the rest of the province.
- Using the Organization for Economic Co-operation and Development's long term projection of Canada's annual GDP Growth + 1.00%. This projection was used as since 2008, Lethbridge's economy has followed similar trends as the national economy, however has averaged to grow at 1% greater than the national economy over this time frame.

The local GDP projections are summarized in Figure 27. By the year 2056, these three projections all show the local GDP increasing to a level of two to three times of the current GDP of \$5.45 billion per year. The lowest increase was to \$11.79 billion using the projected annual national GDP growth rate of 2.00% and the largest increase was to \$17.42 billion using this same annual national projected growth rate + 1.00%. A projected growth rate of 2.55%, like what has been seen in Lethbridge since 2008, would garner an increase in local GDP to \$14.92 billion by 2056.



Lethbridge GDP Projections 2016-2056

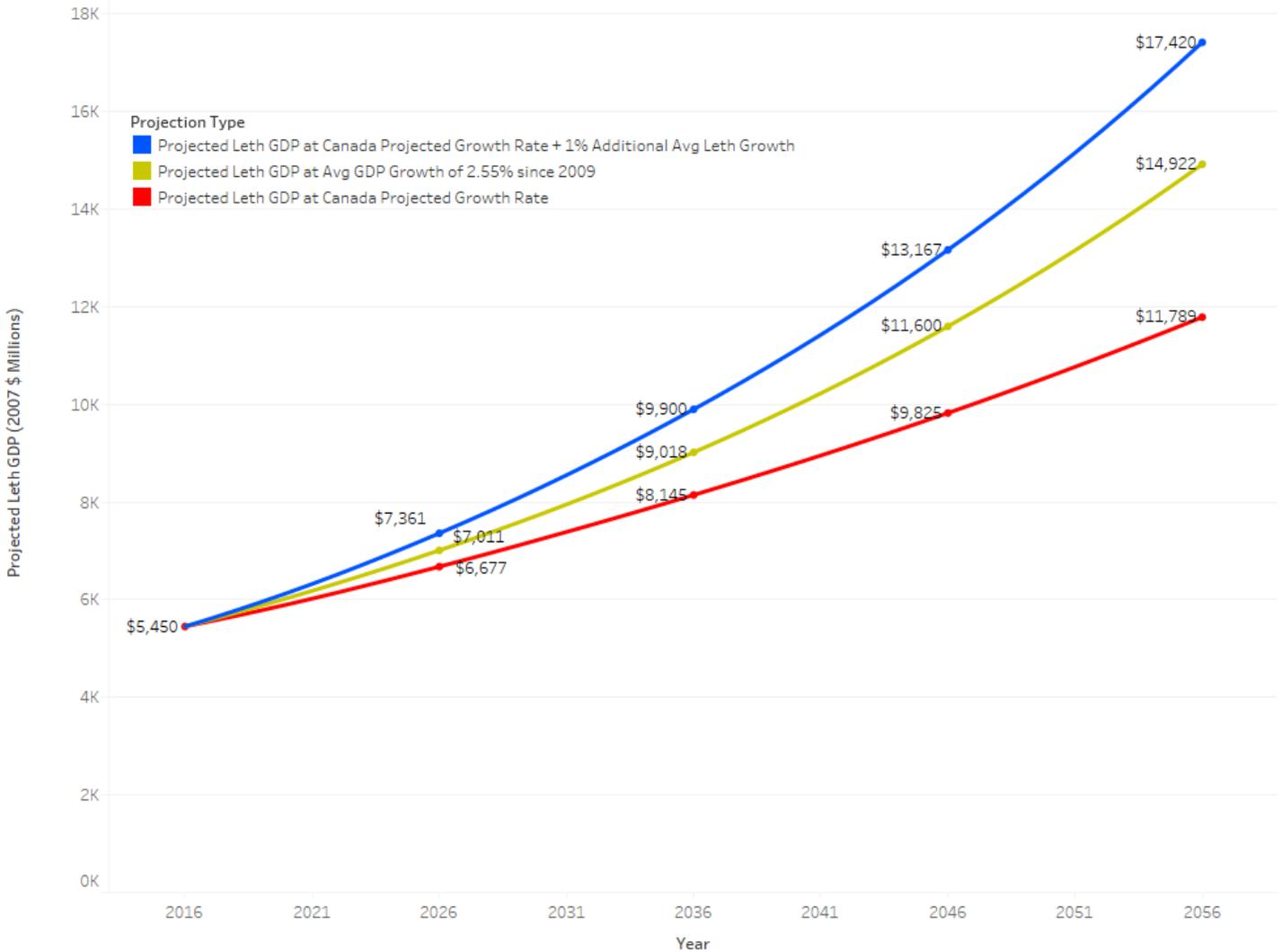


Figure 27

3.2 Future Major Projects

Most future major projects in the private sector are difficult to predict without having internal knowledge of the operations of private businesses. That being said, future major projects in the public sector or land development projects can be demonstrated as this information is publically available in government documents or land use plans. A snapshot of known future major projects within the City that have not yet commenced is shown on Map 16.

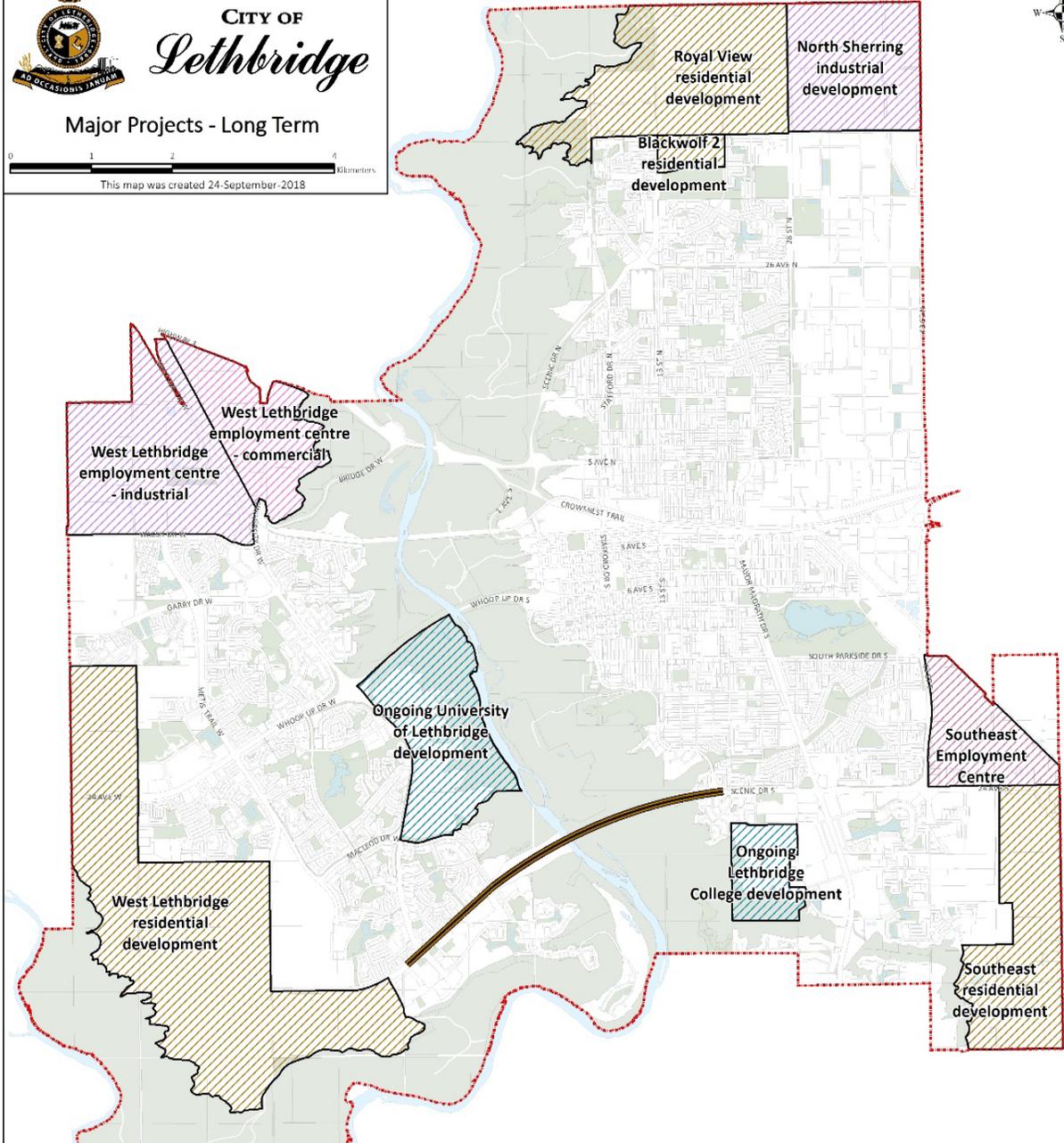
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Major Projects - Long Term

0 1 2 4 Kilometers

This map was created 24-September-2018



Legend

City Boundary	Major Project type
Hydrology	Post-secondary
Parks and Green Space	Residential
River Valley	Industrial
Third River Crossing	Commercial
	Employment

Data from the City of Lethbridge, 2018.

Map 16 - Known Future Major Projects



3.3 Lethbridge Employment Projection

Based upon previous economic trends, Lethbridge is expected to increase overall employment to 63,525 by 2043 (see Figure 28 below).

Projection by Year	North	South	West	City Total
2016	17,313	27,204	4,527	49,044
2026	19,508	29,710	6,996	56,213
2036	20,826	30,252	9,037	60,115
2043	21,241	30,269	12,016	63,525

Figure 28

West Lethbridge is expected to gain the largest number of employment with an additional 7,500 employees by 2043; nearly tripling its current total. North and South Lethbridge are anticipated to gain 3,000 – 4,000 employees each over this time frame. Despite West Lethbridge leading employment growth in the future, it is still expected to only contain approximately 12,000 employees which is a great amount fewer than North Lethbridge (21,000) and South Lethbridge (30,000).

In consideration of future planning, it is also important to look at what types of employment are expected to continue or accelerate growth and what types will possibly decline. To conduct this project employment projection Employment and Social Development Canada’s Canadian Occupational Projection System 2015-2024 (COPS) was used. The projected annual change in employment in each NAICS category was obtained from this model and applied to the Lethbridge context. While COPS considers Canada as a whole, this system was applied to Lethbridge, as Lethbridge’s economy tends to follow trends in the national economy closely and tends to be relatively average across all industrial categories when compared to the national average. Figure 29 shows the expected annual growth percentage in each NAICS category between 2017 and 2024.

During this timeframe all NAICS categories, aside from Agriculture, Forestry, Fishing and Hunting are expected to grow in terms of employment at the national level. The categories of Health Care and Social Assistance, which includes professions such as doctors, nurses and other health care providers and Professional, Scientific and Technical Services, which includes professions such as, engineers and scientists were expected to have the greatest overall growth during this timeframe, increasing 14.68% and 12.30% respectively. Nationally, employment in Agriculture, Forestry, Fishing and Hunting is anticipated to continue to moderately decrease, as it has in previous years, by 3.52% between 2017 and 2024. This is likely due to rural depopulation and continued automation and efficiency in farm operations.

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NAICS #	NAICS Name	2017	2018	2019	2020	2021	2022	2023	2024
11	Agriculture, forestry, fishing and hunting	-0.14%	-0.25%	-0.38%	-0.50%	-0.47%	-0.67%	-0.59%	-0.59%
21	Mining and oil and gas extraction	1.52%	1.33%	0.79%	0.72%	0.71%	0.61%	0.54%	0.48%
22	Utilities	0.71%	0.57%	0.63%	0.42%	0.35%	0.42%	0.28%	0.35%
23	Construction	1.04%	0.96%	1.09%	0.97%	0.80%	0.79%	0.72%	0.82%
31 - 33	Manufacturing	0.73%	0.56%	0.39%	0.26%	0.21%	0.18%	0.13%	0.11%
41	Wholesale trade	0.91%	1.22%	0.68%	0.41%	0.56%	0.76%	0.81%	0.90%
44 - 45	Retail trade	0.77%	1.14%	0.44%	0.38%	0.53%	0.62%	0.80%	0.81%
48 - 49	Transportation and warehousing	0.75%	1.04%	0.56%	0.42%	0.52%	0.90%	0.87%	0.77%
51	Information and cultural industries	0.42%	0.54%	0.33%	0.23%	0.25%	0.27%	0.40%	0.36%
52	Finance and insurance	0.71%	0.84%	0.27%	0.29%	0.31%	0.58%	0.65%	0.59%
53	Real estate and rental and leasing	0.71%	0.84%	0.27%	0.29%	0.31%	0.58%	0.65%	0.59%
54	Professional, scientific and technical services	1.62%	1.64%	1.52%	1.38%	1.25%	1.41%	1.44%	1.43%
55	Management of companies and enterprises	0.64%	0.72%	0.29%	0.30%	0.12%	0.37%	0.36%	0.35%
56	Administrative and support, waste management and remediation services	0.64%	0.72%	0.29%	0.30%	0.12%	0.37%	0.36%	0.35%
61	Educational services	0.93%	0.84%	0.68%	0.67%	0.68%	0.60%	0.58%	0.63%
62	Health care and social assistance	2.02%	1.95%	1.61%	1.59%	1.63%	1.64%	1.71%	1.66%
71	Arts, entertainment and recreation	0.42%	0.54%	0.33%	0.23%	0.25%	0.27%	0.40%	0.36%
72	Accommodation and food services	0.73%	0.65%	0.46%	0.43%	0.42%	0.56%	0.52%	0.50%
81	Other services (except public administration)	0.68%	0.84%	0.44%	0.28%	0.28%	0.40%	0.30%	0.40%
91	Public administration	0.33%	0.26%	0.39%	0.16%	0.20%	0.09%	0.02%	0.01%

Figure 29 - Projected Annual % Change in Employment by NAICS Category – 2017 - 2024

To examine the local context Figure 30 shows the national COPS employment growth projections for 2017 – 2024 applied to the latest employment figures from the 2016 Federal Census for Lethbridge and its sectors. Nearly all employment categories within Lethbridge will see some growth by 2024; even employment in agriculture is expected to remain steady or see a small amount of growth locally, despite experiencing a national decline overall.

All sectors of the City are expected to see employment growth. North Lethbridge will see moderate employment growth in Manufacturing and Transportation and Warehousing, due to the ongoing development of industrial land in this sector of the City and including the completion of the Cavendish Farms potato processing plant. South Lethbridge will also see moderate growth, particularly in the Health Care and Social Assistance employment category, as health care options continue to increase in and around the hospital and in the Downtown. West Lethbridge is expected to see additional growth primarily in the Educational Services and Retail Trade industries, due to new anticipated commercial development, the construction of new schools and the completion of the University of Lethbridge’s Destination Project.

It should be noted that, despite these projections some industries could lose employees, especially over the long term (beyond 2024), due to the growth of online retailing, artificial intelligence and automation that may precipitate large shifts in employment. While all industries will be effected, the most impacted jobs are expected to be in the Manufacturing, Transportation and Warehousing and Retail Trade. While the projections used in the Economic and Tourism Inventory are based upon some of the best projections available (Employment and Social Development Canada’s Canadian Occupational Projection System) it is possible that this upcoming shift in employment will be unprecedented and is unpredictable at this time.

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North												
NAICS #	NAICS Name	2016	2017	2018	2019	2020	2021	2022	2023	2024		
11	Agriculture, forestry, fishing and hunting	198	199	199	199	200	191	192	193	194	196	
21	Mining, quarrying, and oil and gas extraction	59	59	59	59	59	59	59	59	59	59	
22	Utilities	295	300	303	306	308	311	311	315	317	321	
23	Construction	1,149	1,174	1,187	1,204	1,271	1,291	1,291	1,315	1,340	1,370	
31-33	Manufacturing	3,522	3,574	3,592	3,614	3,689	3,723	3,758	3,796	3,838	3,888	
41	Wholesale trade	1,446	1,466	1,477	1,476	1,479	1,489	1,499	1,499	1,508	1,517	
44-45	Retail trade	3,099	3,145	3,172	3,174	3,196	3,228	3,260	3,289	3,311	3,341	
48-49	Transportation and warehousing	1,137	1,159	1,176	1,186	1,252	1,276	1,305	1,331	1,358	1,388	
51	Information and cultural industries	295	298	300	302	304	306	308	311	313	313	
52	Finance and insurance	161	164	167	169	172	174	178	181	183	186	
53	Real estate and rental and leasing	222	225	226	226	227	227	228	230	232	233	
54	Professional, scientific and technical services	600	605	610	615	620	625	630	635	640	645	
55	Mgmt of companies and enterprises	241	243	243	242	240	240	240	240	240	240	
56	Administrative and support, waste management and remediation services	447	454	459	462	467	471	478	483	489	494	
61	Educational services	673	686	692	697	703	710	716	723	730	737	
62	Health care and social assistance	1,167	1,201	1,211	1,218	1,229	1,242	1,254	1,267	1,279	1,291	
71	Arts, entertainment and recreation	162	162	163	163	164	165	166	167	168	169	
72	Accommodation and food services	696	707	714	719	726	733	742	749	757	764	
81	Other services (except public administration)	1,189	1,205	1,214	1,218	1,225	1,235	1,248	1,256	1,266	1,276	
91	Public administration	525	531	536	542	545	551	555	561	566	571	
	Total	17,313	17,596	17,742	17,831	18,069	18,250	18,453	18,646	18,842	19,038	
South												
NAICS #	NAICS Name	2016	2017	2018	2019	2020	2021	2022	2023	2024		
11	Agriculture, forestry, fishing and hunting	161	164	168	169	171	173	174	175	177	177	
21	Mining, quarrying, and oil and gas extraction	27	25	26	26	27	26	26	26	26	26	
22	Utilities	27	27	29	29	31	31	32	33	34	34	
23	Construction	399	396	404	413	421	424	429	433	440	447	
31-33	Manufacturing	315	341	355	382	403	413	426	441	456	471	
41	Wholesale trade	292	303	313	322	333	338	345	352	360	367	
44-45	Retail trade	5,405	5,487	5,559	5,573	5,627	5,663	5,702	5,747	5,789	5,834	
48-49	Transportation and warehousing	233	239	247	252	259	263	268	273	277	281	
51	Information and cultural industries	583	590	596	601	607	610	614	618	621	624	
52	Finance and insurance	1,566	1,587	1,601	1,604	1,618	1,624	1,639	1,651	1,661	1,671	
53	Real estate and rental and leasing	556	565	570	572	578	581	585	588	591	594	
54	Professional, scientific and technical services	1,554	1,584	1,596	1,606	1,617	1,620	1,631	1,641	1,651	1,661	
55	Mgmt of companies and enterprises	33	33	34	34	34	34	35	35	35	35	
56	Administrative and support, waste management and remediation services	1,295	1,313	1,326	1,333	1,346	1,349	1,360	1,368	1,375	1,382	
61	Educational services	1,833	1,866	1,893	1,916	1,946	1,965	1,991	2,005	2,027	2,049	
62	Health care and social assistance	5,848	6,016	6,076	6,120	6,188	6,236	6,288	6,344	6,394	6,444	
71	Arts, entertainment and recreation	738	752	762	770	778	782	791	800	808	816	
72	Accommodation and food services	3,443	3,496	3,526	3,554	3,590	3,610	3,639	3,662	3,686	3,710	
81	Other services (except public administration)	1,481	1,501	1,520	1,528	1,543	1,550	1,561	1,570	1,582	1,594	
91	Public administration	1,425	1,439	1,453	1,468	1,480	1,492	1,503	1,516	1,530	1,543	
	Total	27,204	27,724	28,050	28,275	28,600	28,785	29,031	29,277	29,515	29,753	
West												
NAICS #	NAICS Name	2016	2017	2018	2019	2020	2021	2022	2023	2024		
11	Agriculture, forestry, fishing and hunting	40	40	40	41	38	39	40	40	41	41	
21	Mining, quarrying, and oil and gas extraction	43	48	49	49	45	50	53	56	56	56	
22	Utilities	-	0	0	1	1	1	2	2	2	2	
23	Construction	63	70	72	75	78	85	91	97	100	103	
31-33	Manufacturing	51	59	63	70	76	82	88	94	100	106	
41	Wholesale trade	62	65	67	70	72	74	76	78	80	82	
44-45	Retail trade	405	436	469	501	530	559	588	617	646	675	
48-49	Transportation and warehousing	49	51	53	55	57	59	61	63	65	67	
51	Information and cultural industries	89	92	94	96	98	102	105	108	111	114	
52	Finance and insurance	52	55	58	61	64	67	70	74	77	80	
53	Real estate and rental and leasing	70	72	74	75	76	78	80	82	84	86	
54	Professional, scientific and technical services	316	339	352	367	384	405	428	454	479	504	
55	Mgmt of companies and enterprises	-	0	0	0	0	0	1	1	1	1	
56	Administrative and support, waste management and remediation services	123	127	130	133	136	139	144	148	153	157	
61	Educational services	1,956	2,018	2,065	2,114	2,169	2,229	2,291	2,343	2,367	2,411	
62	Health care and social assistance	407	422	431	439	449	460	472	486	499	512	
71	Arts, entertainment and recreation	136	137	139	140	142	145	147	150	152	154	
72	Accommodation and food services	456	467	474	480	488	497	508	518	529	539	
81	Other services (except public administration)	166	175	183	191	200	208	216	224	231	238	
91	Public administration	43	47	53	59	65	70	75	79	83	87	
	Total	4,527	4,720	4,867	5,016	5,161	5,311	5,464	5,620	5,777	5,934	
City-Wide												
NAICS #	NAICS Name	2016	2017	2018	2019	2020	2021	2022	2023	2024		
11	Agriculture, forestry, fishing and hunting	399	402	406	410	401	404	406	410	414	414	
21	Mining, quarrying, and oil and gas extraction	129	132	134	135	131	135	138	141	142	142	
22	Utilities	322	327	331	336	340	344	348	352	357	361	
23	Construction	1,601	1,639	1,663	1,692	1,771	1,800	1,835	1,870	1,910	1,950	
31-33	Manufacturing	3,888	3,974	4,011	4,066	4,308	4,373	4,445	4,525	4,612	4,700	
41	Wholesale trade	1,800	1,833	1,858	1,868	1,935	1,958	1,984	2,009	2,036	2,063	
44-45	Retail trade	8,309	9,067	9,200	9,248	9,573	9,715	9,871	10,045	10,217	10,389	
48-49	Transportation and warehousing	1,419	1,450	1,476	1,494	1,619	1,653	1,696	1,735	1,775	1,814	
51	Information and cultural industries	967	990	991	1,000	1,010	1,018	1,027	1,037	1,046	1,055	
52	Finance and insurance	1,759	1,787	1,806	1,814	1,833	1,846	1,867	1,886	1,902	1,918	
53	Real estate and rental and leasing	848	861	869	873	882	887	895	902	908	914	
54	Professional, scientific and technical services	2,520	2,587	2,618	2,649	2,682	2,710	2,752	2,794	2,837	2,880	
55	Mgmt of companies and enterprises	274	276	277	276	274	274	275	276	276	276	
56	Administrative and support, waste management and remediation services	1,865	1,894	1,914	1,927	1,949	1,960	1,982	1,999	2,017	2,034	
61	Educational services	4,462	4,570	4,650	4,726	4,818	4,903	4,992	5,071	5,124	5,181	
62	Health care and social assistance	7,422	7,639	7,718	7,777	7,866	7,938	8,014	8,097	8,172	8,247	
71	Arts, entertainment and recreation	1,036	1,050	1,064	1,074	1,085	1,093	1,104	1,117	1,129	1,141	
72	Accommodation and food services	4,595	4,670	4,713	4,754	4,805	4,840	4,888	4,928	4,971	5,011	
81	Other services (except public administration)	2,836	2,881	2,917	2,938	2,968	2,994	3,025	3,050	3,079	3,109	
91	Public administration	1,993	2,017	2,042	2,068	2,090	2,112	2,133	2,156	2,178	2,200	
	Total	49,044	50,040	50,659	51,122	52,300	52,917	53,638	54,360	55,061	55,762	

Figure 30 – Projected Annual Change in Employment by NAICS Category – City Sector



3.4 Lethbridge Commercial and Industrial Floor Space Growth Projection

Lethbridge has great potential for growth in industrial and commercial floor space over the next 20 years. According to the *Lethbridge – Commercial and Industrial Development Study* prepared in 2017 by MXD Development Strategists, the City could see an additional amount of floor space in the following categories by 2037:

- Office (city-wide): 568,600 sq ft
- Retail (City-wide): 1,500,000 sq ft
- Light Industrial (City-wide): 545,000 sq ft
- Heavy Industrial/Manufacturing (City-wide): 950,000 sq ft
- **Total potential additional floor space: 3,563,000 sq ft**

Map 17 shows the additional floor space that is projected for each sector and each type of development between 2017 and 2037. According to this study, the City has the potential to absorb over 3.5 million square feet of commercial and industrial floor space over the next 20 years. Of this, it is projected that Downtown Lethbridge could see absorption of 470,000 gross feet of commercial space. This includes roughly 320,000 sq ft for office space and 150,000 sq ft for retail. While retail growth is projected to have the smallest growth compared to other sectors of the City, the Downtown will benefit from the largest addition of office space in the City. This helps further establish the economic importance of the Downtown core, and will continue to support the Downtown as the heart of the City.

While Downtown will have the largest increase of office space, West Lethbridge will lead all sectors in total development into the future on the basis of gross floor space²⁹. Over the next 20 years, West Lethbridge will see a total of 1.38 million square feet of gross building area developed. Retail floor space is expected to contribute the most with 750,000 sqft, and light industrial and manufacturing are expected to contribute a combined 500,000 sqft. With office space contributing just over 100,000 sqft. The majority of this total growth is expected to occur in the planned West Lethbridge Employment Centre which is located between Walsh Dr. and Highway #3, with about half of the retail growth to also occur in The Crossings neighbourhood near Whoop-Up Dr. and Metis Tr.

North Lethbridge is expected to have the second highest amount of commercial and industrial growth with 1.35 million sqft. of gross building area developed by 2037. The majority of this will come from light industrial, heavy industrial and manufacturing development which will account for almost 1 million sqft. alone and will be concentrated in the Sherring Industrial Park in the northeast corner of the city.

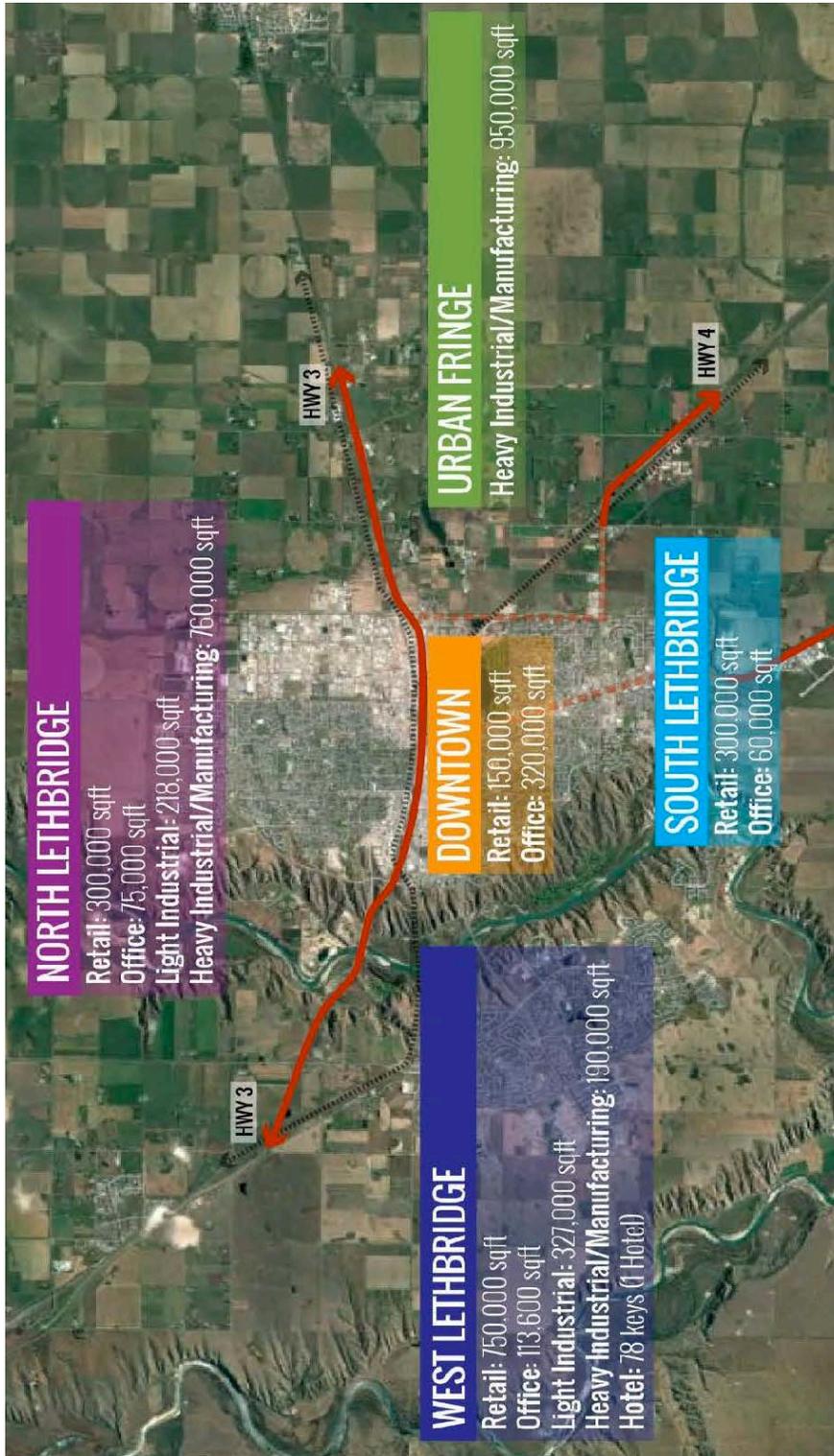
South Lethbridge is expected to add just over 360,000 sqft of gross commercial space, which includes office and retail. Most of this space is expected to be developed in the W.T Hill Business Park and the future Southeast Employment Centre (located north of Highway # 4 in the Southeast Area Structure Plan).

²⁹MXD Development Strategists. *Lethbridge – Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge May 3, 2017



Most of the growth in retail development in South Lethbridge will occur in the Southeast Employment Centre and along Highway # 4, as the Mayor Magrath Dr. Commercial corridor has almost been fully developed. No Industrial Development is expected in South Lethbridge over the next twenty years however over the longer term it is expected that the Southeast Employment Centre will be the site of light industrial development.

Additionally, the study identified a total of 950,000 sqft of heavy industrial/manufacturing space in the urban fringe areas of the City. This includes future development that is at or around the Lethbridge Airport, amongst other areas, but this study does not specify how much of this development could occur at or around the airport. As noted in section 2.11 the City of Lethbridge recently took over the operation of the Lethbridge Airport and an Airport Master Plan is currently being drafted. Because of this it is unknown at this time what impact any potential development near the airport will have upon commercial and industrial development within the City in the future.



Map 17 - Projected New Gross Floor Area by City Sector - 2037



3.5 Lethbridge Commercial and Industrial Developable land area Growth Projection

The projected increases in floor space in Lethbridge will also affect land area in the City as well. The lands that will absorb the increases in floor space are generally located in areas with Area Structure Plans. Generally, each sector of the City (north, south, and west) will face demand for new land in order to accommodate growth. These land area growth projections are shown below based on City sectors (the projections do not include land that will be needed for residential growth):

- North Lethbridge land area growth: **58 Ha.**
- South Lethbridge land area growth: **12 Ha.**
- West Lethbridge land area growth: **55 Ha.**
- **Total developable land required to accommodate growth: 125 Ha.**

West Lethbridge will likely experience continued demand for commercial and industrial land as the sector of the City grows. Based on the *MXD Commercial and Industrial Study*, West Lethbridge could see demand for: 27.9 ha. for retail, 3 ha. for office, 15 ha. for light industrial, 9 ha. for manufacturing and 1 ha. for future hotels³⁰. Combined this study estimates there could be demand for 55 hectares of land to be absorbed as a result of commercial and industrial growth in West Lethbridge.

According to the *MXD Commercial and Industrial Study*, North Lethbridge will see the largest demand for land over the next 20 years. This is largely due to the growth of the heavy industrial/manufacturing land uses in North Lethbridge. The Study estimates that North Lethbridge could absorb 11 ha. for retail, 2 ha. for office, 10 ha. for light industrial, and 35 ha. for heavy industrial/manufacturing. This would total 58 hectares of land that would be absorbed in North Lethbridge for commercial and Industrial growth³¹.

South Lethbridge will see the smallest demand for commercial and industrial land as commercial floor space will not grow as fast because the Mayor Magrath Dr. commercial corridor is mostly complete. However some future retail will be developed, largely in the Southeast Employment Centre area around Highway 4. As a result the Study anticipates there to be demand for an additional 11 ha. for retail growth and 1 ha. for office growth, for a total of 12 hectares of land for new commercial and industrial growth.

While Downtown will also see growth in office and retail floor space this will not result in new land being consumed as the area is already developed, or in the case of the former railyards, redeveloped. The growth in floor space will be due to a higher intensity of land use and redevelopment of existing urban land.

The urban fringe area surrounding the City will also see a considerable amount of land absorbed. The Study anticipates that 44 hectares of land will be needed for heavy industrial/manufacturing on areas of the urban fringe³². These areas are located in Lethbridge County however, outside City limits.

³⁰ Ibid

³¹ Ibid

³² Ibid



Across all sectors of the City there will be continued demand for land as floor space grows. The MXD Study forecasts that 125 hectares of developed land will be required to accommodate the growth in commercial and industrial floor spaces that are projected in Lethbridge over the next 20 years. These figures should be updated when the *MXD Commercial and Industrial Study* is amended to reflect any changes (if any) outlined in the Airport Master Plan.

3.6 Future Linear Infrastructure Corridors

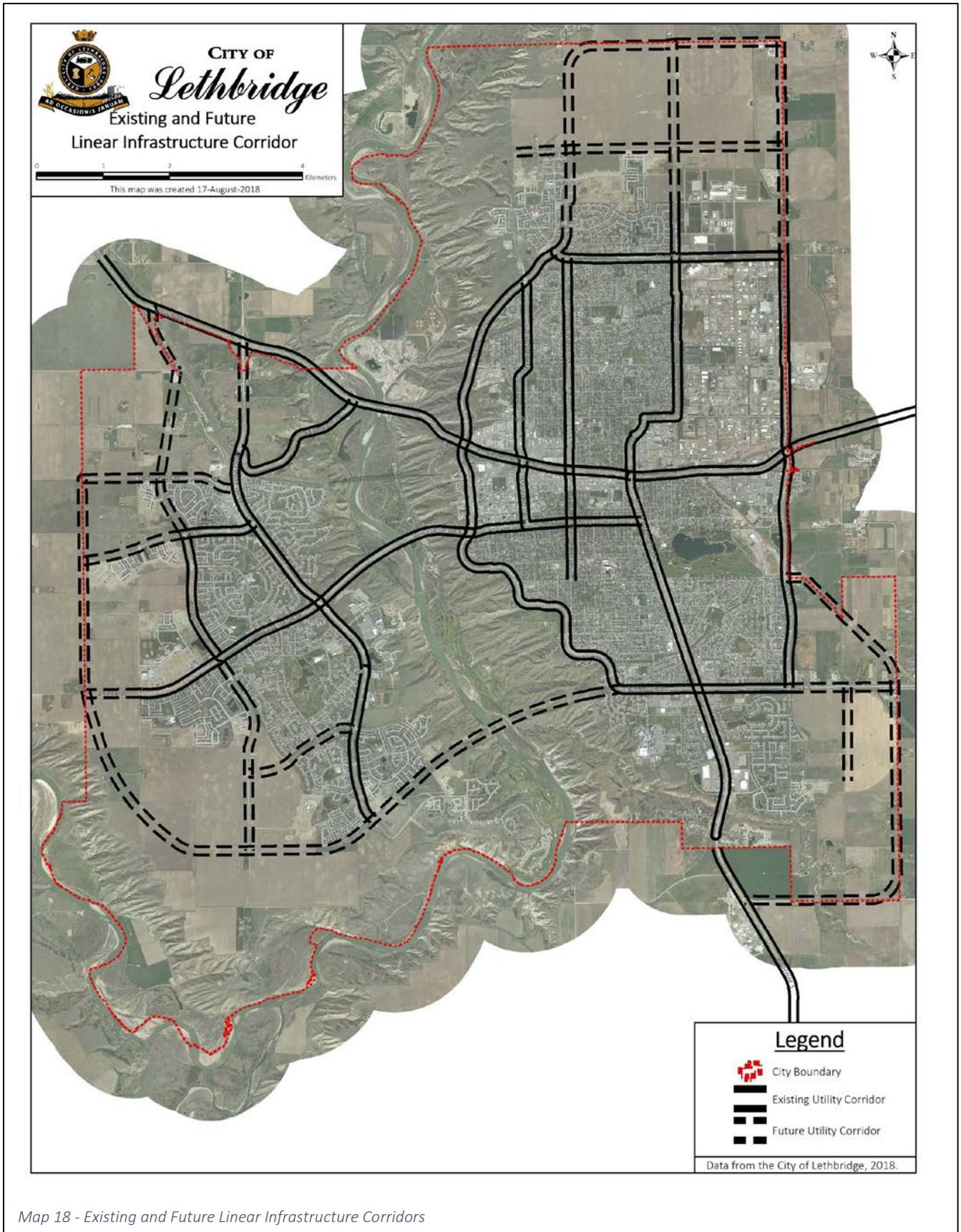
Map 18 shows both the existing and future linear infrastructure corridors in the City. The future corridors shown on this map are planned to contain major roadways and many of the major utility servicing lines for sanitary sewer, storm sewer and water. It can be expected that new development will occur near these corridors with additional development beyond this branching further off.

In West Lethbridge it is expected that future development will occur adjacent to the Whoop Up Dr. and Metis Tr. corridors. Commercial development at The Crossings will continue to the north of Whoop up Dr. over the next few years. Nearly all of land surrounding the University Dr. corridor has been developed, with the exception of the northern portion between Walsh Dr. and Highway #3. The lands surrounding this portion of University Dr. are planned for large format commercial development that will occur as this portion of University Dr. is expanded to an urban arterial standard containing major utility lines.

The first stages of Metis Tr. have been completed in recent years and residential development is proceeding to the east of it in The Crossings and Garry Station. The development of Country Meadows and Watermark will occur adjacent to future stages of Metis Tr. Over the long term, it is planned for Metis Tr. to extend northward to Highway #3, surrounded by industrial development.

Chinook Tr. will be a linear infrastructure corridor that will not be developed for a number of decades, as it includes the planned 3rd bridge crossing of the Oldman River and will follow much of the current western boundary of the City. In addition to containing major sanitary sewer, storm sewer and water lines it is also intended to contain additional major utilities, such as high-pressure natural gas transmission lines and electrical transmission lines for a portion of its length. Development adjacent to Chinook Tr. will likely begin around its connections to other arterial roadways, such as Whoop Up Dr. and Metis Tr.

Compared to West Lethbridge, North and South Lethbridge have fewer linear infrastructure corridors that will need to be developed in the future. Development in the southeast part of the City will occur along 24th Ave (Highway #4) as major utility lines are constructed within this corridor to serve planned commercial and industrial development to the north of 24th Ave (Highway #4) and residential development to the south. Additional major services will be extended southwards from Highway #4 along with a new major collector roadway. Under previous plans, 43rd St was to be a linear corridor that connected to an area south of the City. This function has been replaced by the future 58th St., which will be extended from 43rd St. to the current eastern and southern City boundaries.



Map 18 - Existing and Future Linear Infrastructure Corridors



In North Lethbridge the existing linear infrastructure corridors of Scenic Dr., 28th St. and 43rd St. will be extended northwards. Residential development is planned to occur on either side of Scenic Dr. as this roadway and the services within it is expanded. Residential development is also planned to occur on the west side of 28th St. and industrial development is planned to occur on the east side as this roadway is improved and major utility services are installed. The 43rd St. corridor will also continue to be improved, as future industrial development is expanded northward. The large Cavendish potato processing plant is currently being developed along the 43rd St. corridor, as this roadway is being expanded. On an east-west axis, 44 Ave. N/Cavendish Rd. N will function as a linear infrastructure corridor that cross nearly the entirety of North Lethbridge. Almost none of this corridor is built at this time, but it will contain a major collector roadway in addition to many of the major servicing lines that will serve the future residential and industrial development adjacent to it. Access to rail facilities is also important to many industries located in the northeast of the City. A rail spur is planned to be extended northwards from where it currently terminates south of 26th Ave. N. This spur is will be important for industries that rely upon rail access, with these types of industries anticipated to cluster around it.

3.7 Hotel and Tourism Projections

3.7.1 HOTEL OCCUPANCY - PROJECTION

As stated in Phase 2 of this report, Lethbridge currently has a hotel occupancy rate of 48.3%. Typically, a hotel market in Canada or the United States requires 70% occupancy rates to warrant new hotel development. This means that Lethbridge currently has an excess of hotel rooms and is not likely to see additional hotel rooms constructed for a number of years. Figure 31 found on the following page, shows conservative, moderate and aggressive projections for hotel demand in Lethbridge.

If it is assumed that new additional hotel rooms are not warranted until local occupancy rates reach 70%, then Lethbridge will not see additional hotel rooms above the current total amount until 2029 under the aggressive projection, which assumes an average annual tourism growth rate of 3%. The moderate projection of an average annual tourism growth rate of 2.5% would see additional hotel rooms added to the local market in 2031 and the conservative projection, which assumes an average annual tourism growth rate of 2% and is the current national trend, would see additional rooms added in 2035.

It should be noted that these projections only consider the inventory of hotels rooms, above current levels. As Lethbridge has a large glut of hotel rooms, it is likely that some of the older and un-renovated hotels may close due to competition, thus removing these hotel removes from the market. This is especially true if new hotels are built in areas of the City that are currently underserved and this further increases the available inventory in an already saturated market.

West Lethbridge, has a large amount of planned commercial land, is the fastest growing sector of the City and has large, ongoing expansions at the University of Lethbridge and the ATB Leisure Centre, which will further drive demand for hotels on this side of the City. Downtown is also lacking a premium hotel and a demand for this type of hotel will only increase, especially if a catalyst to tourism, such as a convention centre or performing arts centre, is constructed in the Downtown core.

ECONOMY & TOURISM INVENTORY



Projected Residual Room Demand - Status Quo Scenario (CONSERVATIVE)

Letbridge	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
Supply	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	
Inventory (Rooms)	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	
Supply (Million Room Nights)	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	
Demand	0.25	0.25	0.26	0.26	0.27	0.27	0.28	0.28	0.29	0.30	0.30	0.31	0.31	0.32	0.33	0.33	0.34	0.35	0.35	0.36	0.37	0.38	
Demand (Million Room Nights)	48.3%	49.3%	50.3%	51.3%	52.3%	53.3%	54.4%	55.5%	56.6%	57.7%	58.8%	60.1%	61.3%	62.5%	63.7%	65.0%	66.3%	67.6%	69.0%	70.4%	71.8%	73.2%	
Occupancy Rate (%) Projected	-304	-291	-277	-263	-248	-234	-219	-204	-188	-172	-156	-139	-123	-105	-88	-70	-52	-33	-14	5	25	45	
Residual Room Demand																							
Est. Gross Building SF @ 750 SF/Key																					3,828	16,627	33,722
Net Developable Acres @ 0.7 FAR																					0.13	0.61	1.11
Tourism Growth Rate	2.0%																						

Projected Residual Room Demand - Accelerated Visitor Demand Scenario (AGGRESSIVE)

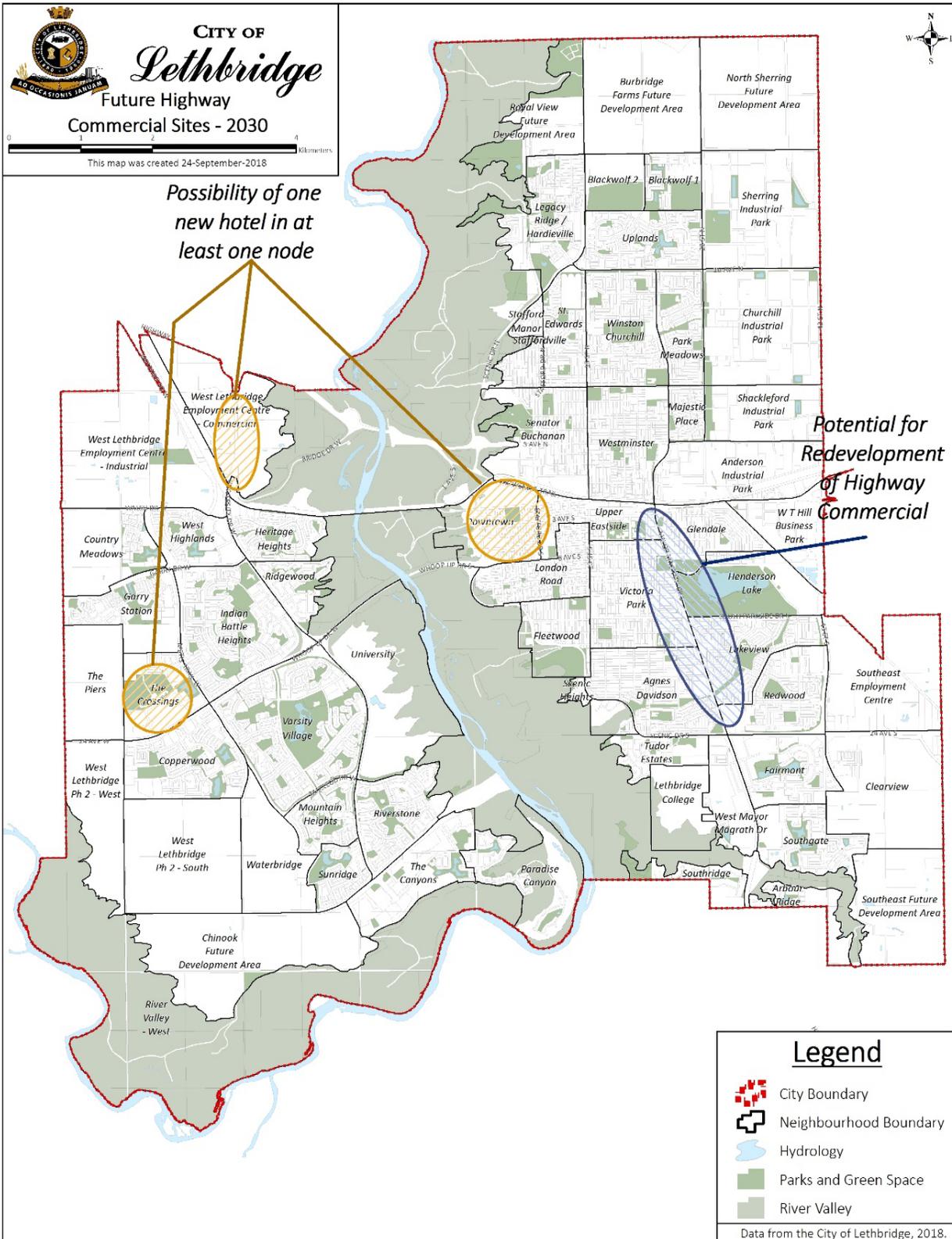
Letbridge	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
Supply	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	
Inventory (Rooms)	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	
Supply (Million Room Nights)	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	
Demand	0.25	0.26	0.26	0.27	0.28	0.29	0.30	0.30	0.31	0.32	0.33	0.34	0.35	0.36	0.37	0.39	0.40	0.41	0.42	0.43	0.45	0.46	
Demand (Million Room Nights)	48.3%	49.7%	51.2%	52.8%	54.4%	56.0%	57.7%	59.4%	61.2%	63.0%	64.9%	66.9%	68.9%	70.9%	73.1%	75.2%	77.5%	79.8%	82.2%	84.7%	87.2%	89.9%	
Occupancy Rate (%) Projected	-304	-284	-263	-241	-219	-196	-173	-149	-124	-98	-71	-44	-16	13	43	74	105	138	171	206	242	278	
Residual Room Demand																							
Est. Gross Building SF @ 750 SF/Key																					154,528	181,248	208,770
Net Developable Acres @ 0.7 FAR																					5.07	5.94	6.85
Tourism Growth Rate	3.0%																						

Projected Residual Room Demand - Moderate Demand Scenario (MODERATE)

Letbridge	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
Supply	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	
Inventory (Rooms)	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,406	
Supply (Million Room Nights)	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	
Demand	0.25	0.25	0.26	0.27	0.27	0.28	0.29	0.29	0.30	0.31	0.32	0.33	0.33	0.34	0.35	0.36	0.37	0.38	0.39	0.40	0.41	0.42	
Demand (Million Room Nights)	48.3%	49.5%	50.7%	52.0%	53.3%	54.6%	56.0%	57.4%	58.8%	60.3%	61.8%	63.4%	65.0%	66.6%	68.2%	70.0%	71.7%	73.5%	75.3%	77.2%	79.1%	81.1%	
Occupancy Rate (%) Projected	-304	-287	-270	-252	-234	-215	-196	-176	-156	-136	-115	-93	-71	-48	-25	-1	24	49	75	101	128	156	
Residual Room Demand																							
Est. Gross Building SF @ 750 SF/Key																					75,872	96,172	116,980
Net Developable Acres @ 0.7 FAR																					2.49	3.15	3.84
Tourism Growth Rate	2.5%																						

Figure 31

ECONOMY & TOURISM INVENTORY



Map 19 - Anticipated Future Highway Commercial Development



To summarize, it is likely that additional hotels will be built in West Lethbridge and/or Downtown prior to 2030, due to these areas having catalysts for this type of development and currently being underserved. As the local hotel market is anticipated to be saturated until the 2030's, it is also likely that these new hotel developments will influence the closure or repurposing of some of the existing, older hotel stock. Anticipated future sites for the development of new hotels are shown on Map 19. New hotels are not limited to these locations, but this map represents the best prediction of where new hotels could be located based upon the local market.

3.7.2 TOURISM TRENDS

The *Destination Management Plan* suggested that the City focus primarily on expanding Sport Tourism & Business Events as these are local strengths that have a high potential of becoming even more successful in the future with additional effort and expanded facilities. This Plan also suggested that the City focus on Leisure Travel and Arts & Culture-based tourism as secondary priorities.³³

Lethbridge is currently in the process of constructing new sports facilities including a new leisure centre on the City's westside and has recently made significant improvements to the Enmax Centre and Spitz Stadium. This will help to improve sports tourism. Lethbridge's standing as a location for business events is harmed by its lack of a large convention centre. Both the *Lethbridge Destination Management Plan* and the *MXD Commercial & Industrial Development Study* identified the development of a large convention centre as a priority to attracting larger business and conventions^{34 35}. Convention centres are often located in central, highly accessible Downtown locations, where hotels, restaurants, and local amenities are within reach for conference attendees and guests. Bidding for and attracting large conferences and national or international conventions is highly competitive. The *Commercial & Industrial Development Study* suggested that Lethbridge would be well served with a flexible convention/performing arts facility to accommodate more regional events, which would be best located in a central location. While located on the fringe of the City, Exhibition Park currently provides some meeting, exhibition and event space and has showed a great deal of interest in expanding/renovating these facilities and possibly developing a hotel and conference centre³⁶ as well. Future City Council decisions will need to be made to support additional convention facilities either Downtown, at Exhibition Park or at both sites.

3.7.3 INDIGENOUS TOURISM

As being home to a considerable Indigenous population and being neighbours with the largest First Nations Reserve in Canada, the Lethbridge region has large potential for growth in the Indigenous Tourism industry. While much of this may occur outside of the City boundary, the City of Lethbridge also has the potential for Indigenous Cultural Tourism that utilizes the largest natural area within the City, the Oldman River Valley, which is culturally and historically important to the Blackfoot people. Areas with a high potential for Indigenous Cultural Tourism are shown on Map 20. The Galt Museum and Fort Whoop-

³³ Lethbridge City Council Tourism Strategy Committee & Stantec Consulting Ltd., *Lethbridge Destination Management Plan*, September 2016

³⁴ Ibid

³⁵ MXD Development Strategists. *Lethbridge – Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge May 3, 2017

³⁶ Ibid



Up could also possibly increase their Indigenous Cultural programming and interpretive elements to attract those interested in Indigenous Tourism. This does not preclude other events and activities throughout other areas of the City which may also be important for Indigenous Cultural Tourism.

In addition to cultural tourism, Indigenous Tourism within the City may also include future indigenous-owned hotels and resorts which would likely be located in the hotel growth nodes that are identified in this section above and on Map 19 alongside with other lodging accommodations.

3.7.4 CULINARY TOURISM

Culinary Tourism is a growing trend and is a hidden opportunity that Lethbridge could easily seize on due to its proximity to extensive agricultural production in the region. The *MXD Commercial and Industrial development Study* suggested that Lethbridge should create a connection between local agri-business and the culinary community to create an environment that will allow culinary tourism to grow and flourish.³⁷ Developing culinary tourism in Lethbridge would concentrate on supporting local food producers and harvests that are sustainable to farmers. This means that culinary experiences in the City would “celebrate the historic cooking of the region through locally sourced, seasonal foods which provide a better dining experience and a positive economic and environmental impact”³⁸. Encouraging restaurants to source food locally not only supports local farmers but often provides healthier, fresher food and reduces the amount of travel, distribution and greenhouse gases from traditional food distribution. Farmers could sell to smaller regional distributors or provide the food directly to the restaurants.

Potential uses that could help make Lethbridge a destination for Culinary Tourism include:

- Limited service restaurants and cafes
- Full service restaurants
- Craft breweries
- Wine bars
- “Local-oriented” grocery stores
- Farmers markets
- Food hubs
- Culinary incubators
- Food halls
- Urban farms

Some of these typologies already exist in Lethbridge and offer locally-based products and services. Lethbridge College also provides a culinary arts program that trains food industry professionals.

To seize on this trend the MXD Study suggested that Lethbridge should encourage ‘right-sized’ developments with a mix of retail, culinary services, offices, entertainment and recreation that include the flexible design needed to adapt to future changes in the retail landscape. The MXD Study also

³⁷ MXD Development Strategists. *Lethbridge – Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge May 3, 2017

³⁸ MXD Development Strategies. *Lethbridge Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge May 3, 2017, page 22



suggested the introduction of a central food market as a catalyst development (see Map 20). It described such a place as being “where aspiring chefs and entrepreneurs can learn and grow a food-related business. The market will be completely dedicated to the culinary experience, from residents and tourists purchasing unique items from the craft food market, eating new dishes from food vendors, as well as young chefs beginning their careers at the incubator kitchens”.³⁹

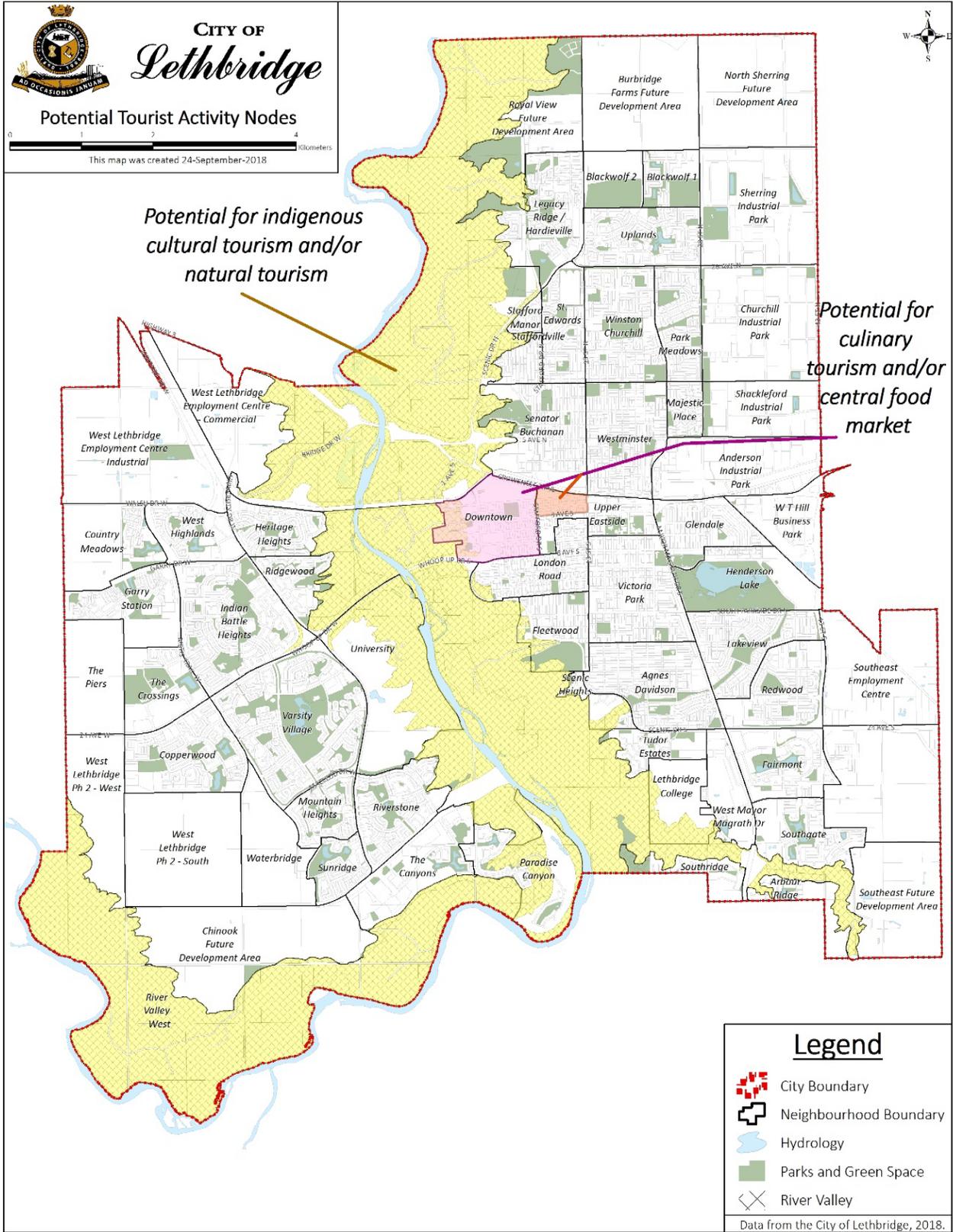


Halifax Seaport Farmer's Market

Similar venues include Pike Place Market in Seattle, the Calgary Farmer's Market and the Halifax Seaport Farmer's Market. Like these many of these venues, the MXD study suggested that a central market be located in re-purposed commercial/industrial space and be located either Downtown or in an area near Downtown; specifically between Highway #3 and 3 Ave S and west of 13 St S. While smaller than more famous venues, the study suggested that the central market should have 15,000 to 30,000 sqft of floor space and include three to four food stalls, six to ten food vendors and a craft beer garden. It also suggested that the Lethbridge College Culinary Arts Program could be a partner through commercial incubator kitchens.⁴⁰

³⁹ Ibid

⁴⁰ MXD Development Strategists. *Lethbridge – Commercial & Industrial Development Study*. Prepared for the City of Lethbridge & Economic Development Lethbridge May 3, 2017



Map 20- Potential Tourist Activity Nodes



Chapter 4.0 Strengths, Weaknesses, Opportunities, Threats (SWOT)

4.1 SWOT Analysis

The previous chapters in this report have provided data on the existing local economy and tourism industry and have provided future projections where it has been possible to do so. This chapter will provide an analysis and summary of the strengths, weaknesses, opportunities and threats (SWOT) that are related to the local economy and tourism industry that have been revealed by this data and that Lethbridge will be facing in the future. The items identified under this SWOT analysis will be used in the subsequent chapter of this ETI document to determine compliance with the SSRP in terms of the local economy and tourism and to provide suggestions on how to meet the SSRP where gaps exist.

Strengths

- **Lethbridge's GDP Growth Is Consistent and Stable**- Since the national recession in 2009 that was caused by the global financial meltdown, Lethbridge's total GDP has grown consistently every year. This is despite the provincial recession that began in 2014, that shrunk the GDP in Alberta as a whole and has shrunk the local GDP of other energy resource-dependent communities. Lethbridge's GDP growth rate (since 2009 averaging annual growth at 3.49%) has been more similar to the national trend, as opposed to the provincial trend. This has helped all City Sectors experience long term growth.
- **Lethbridge has a growing number of major public and private projects in all City Sectors.** Despite the provincial recession that began in 2014, Lethbridge has had consistently increasing value in major projects. Over this same time, other similar-sized communities in the province have seen decreasing investment in major projects. While West Lethbridge has more ongoing major projects than either South or North Lethbridge, all City Sectors have a healthy number of major projects.
- **Lethbridge has one of the most diverse and balanced local economies in Canada.** It does not have one overly dominant industry and has the 38th highest degree of balance between major sectors of the economy out of 149 CAs/CMAs. This means that Lethbridge is often insulated from the fluctuations of the performance of a specific industry and explains the City's historically consistent population and economic growth. Like with what was found with the overall growth in GDP, this has helped to sustain growth in all City Sectors.
- **The location of future arterial roadways, major sanitary sewers and major storm sewers has been well established.** These have been planned well in advance of development for nearly the entire City. This makes the allocation of resources and future urban development around these



services relatively straightforward. This planning tradition should continue in planning documents that are drafted in the future.

Weaknesses

- **Lethbridge has a smaller GDP per capita than other mid-sized cities that are dependent on resource extraction.** Despite recent growth in the local GDP that has exceeded that in most other communities, Lethbridge still has a smaller GDP per capita than other Albertan municipalities which have economies that are dependent upon the energy sector. Lethbridge's major employment areas, such as Downtown and the industrial parks in the northeast, do not produce as much GDP as major employment areas do in other Alberta municipalities.
- **The future needs of major electrical infrastructure are not accurately demonstrated in all applicable land use plans.** It is crucial to set aside sufficient land and right-of-ways well in advance of the construction of major electrical infrastructure. The City's electrical department should be consulted during the drafting of new plans or amended community plans and these plans should identify the location of this future electrical infrastructure to the same level as what has been done in regards to other major utility infrastructure, such as arterial roadways or major sanitary sewers. This also allows residents the opportunity to be informed of the location of electrical infrastructure well in advance of its construction.
- **West Lethbridge is deficient in commercial and industrial development.** It contains a small fraction of the City's overall non-residential development area. This also means that it contains a small proportion of the City's overall employment and commercial services. Residents of West Lethbridge must drive across the City to other commercial and industrial nodes.
- **Lethbridge has a relatively high proportion of employment in the Retail sector and a relatively low proportion of employment in the oil and gas and professional/scientific sectors.** While nationally, retail trade is one of the largest NAICS sectors in terms of employment (12%), Lethbridge has an even higher proportion at 18% of the total workforce. While serving as a vital need in the economy, employment in the retail sector is typically associated with low wages and low skills. By Lethbridge having a large proportion of employment in retail, this demonstrates that opportunities for individuals to gain employment that garners higher wages are limited.

Employment in the oil and gas sector can be volatile, but is associated with extremely high wages. Compared to Alberta as a whole, Lethbridge has far less employment in this sector, with only 0.3% of employment that is based in Lethbridge in the Mining, Quarrying, and Oil and Gas Extraction NAICS category. The provincial average is 6.3%. Lethbridge cannot do much about this, as the region simply does not have many oil and gas resources.

Careers in the Professional, Scientific and Technical Services sector tend to be high paying and require high levels of education with large spin-off effects. Lethbridge has a low proportion of this type of employment compared to the provincial and national averages and should be capturing a larger share. Many of these types of careers begin with the graduation from some of the types of programs that are offered at the University of Lethbridge or Lethbridge College. Capturing a



larger share of Professional, Scientific and Technical Services employment would be of particular benefit to areas of the City where these types industries would be likely to locate - Downtown, The West Lethbridge Employment Centre and even the industrial parks in North Lethbridge.

- **Lethbridge is not a major tourist destination.** The majority of visitors to Lethbridge (75%) come from Calgary or other parts of Southern Alberta and only 1% of visitors are from outside of the United States or Canada. Visitors stay in Lethbridge to see friends and relatives, attend sporting events or visit other nearby sites, such as Waterton Lakes National Park.
- **Lethbridge does not currently have any luxury hotels and has no hotels on the Westside of the City.** A number of hotels have been constructed in recent years or are undergoing construction, which has brought Lethbridge's occupancy rate down to 48% - far below the national average of 65%. None of this construction was in West Lethbridge or was for luxury hotels. Due to this saturation of the market it is unlikely that there will be much more hotel development in the City in the near future, until the occupancy rate gets closer to 70%. It is also possible that some of the existing, older hotel stock will be repurposed for other land uses, which would raise the hotel occupancy rate. Any future Municipal Development Plan should consider how older hotel stock should be repurposed.

Opportunities

- **Lethbridge should do more to promote itself as a community with plentiful amenities that is an affordable alternative to more costly larger cities.** With the ongoing and recent construction of facilities like CASA and the ATB Recreation Centre, the ongoing development of the University of Lethbridge and Lethbridge College and a productive art and cultural scene, Lethbridge has a number of amenities that larger centres have, contributing to a good quality of life. However, compared to larger centres, such as Vancouver or even Calgary, Lethbridge has housing that is much more affordable lower commercial and industrial land costs and shorter commutes. This is true for most neighbourhoods in the City, whether they are more established and centrally located, such as London Road or newly developed areas on the fringe of the City, such as Blackwolf. Lethbridge should do more to promote this advantage to lure residents and businesses from larger centres.
- **Interim solar energy farms have the potential to be constructed on land awaiting urban development.** The province of Alberta has a goal to reach 30% renewable energy by 2030 and is currently offering substantial incentives to install solar panels. Lethbridge has a high potential for solar energy generation and has a large amount of undeveloped land in all City Sectors that will not be developed for at least 20-25 years. If there is sufficient demand, solar energy panels could be installed on these sites on an interim basis until the land is ready for urban development. Solar panels have low off-site impacts, require no services, other than a connection to the electrical grid, and would help Lethbridge achieve its sustainable energy goals. Any new Municipal Development Plan could bring attention to the potential of interim solar farms and include policies to ensure that they would be implemented successfully.
- **Lethbridge has a number of unique features that it could better utilize to boost tourism.** While Lethbridge will never become a tourist hub, such as Banff, tourism could be boosted by



recognizing some of Lethbridge's key attributes. The Lethbridge region does not currently have many Indigenous tourist experiences, but has large potential for growth in this industry as it is home to a considerable indigenous population with a strong cultural identity. Indigenous Cultural tourism could also utilize the Oldman River Valley, which is culturally and historically important to the Blackfoot people. Socially this could help tourist and locals better understand and share in indigenous culture.

Culinary Tourism is a growing trend in the tourism industry that Lethbridge could seize upon due to it being the hub of a large agricultural region. By encouraging the development of a central food market in a central area of the City, Lethbridge could better attract tourists.

- **Local GDP and employment is anticipated to continue to increase and at a similar rate to the national levels in the future.** The local economy is expected to continue to grow as the local population continues to grow. Any new Municipal Development Plan should be optimistic towards the long term growth of the community in all sectors of the City and its economy, while ensuring that such growth is socially, environmentally and economically sustainable.
- **The City of Lethbridge has recently taken over the ownership and operation of the Lethbridge Airport, providing an opportunity to improve this asset for the benefit of the community.** While this is a positive step overall, it is unknown what kind of impact that future commercial and industrial development at and around the airport will have upon future non-residential development within the City at this time. It is possible that there will be growing pressure to increase the development of land at and around the airport. The recently completed *MXD Commercial and Industrial Study* identified an increase of 950,000 sqft of heavy industrial/manufacturing space in the urban fringe areas of the City, but did not get into more specific locations or types of development. An airport master plan is also currently being drafted, however these studies have not considered the impact that increased development at or around the airport would have upon planned non-residential development within the City, particularly in the West Lethbridge Employment Centre, the Southeast Employment Centre, Downtown and the Sherring Industrial Park. Future commercial/industrial economic or development studies should consider this impact or existing studies (such as the recently completed *MXD Commercial and Industrial Study*) should be amended to consider this issue.

Threats

- **West Lethbridge will always contain less commercial and industrial development and less employment than other sectors of the City.** Despite an increasing amount of commercial and industrial development that is currently underway or planned, West Lethbridge will always contain less non-residential development and less employment in comparison to the other sectors of the City. This is because of the long history of existing commercial and industrial development in other areas of the City. While an increasing amount of commercial and industrial uses in West Lethbridge will help to retain some of West Lethbridge's residential population from commuting to other sectors of the City, and even encourage residents in other sectors to commute to West Lethbridge, there will always be substantial amount of West Lethbridge



residents commuting to other areas of the City. Existing planning documents, drafted in recent years, have tried to reduce this imbalance and future planning documents should continue in this same direction; primarily directing most of the City's future non-residential development to this sector, while still ensuring that North and South Lethbridge do see some new non-residential development.

- **E-commerce is changing the face of retail development.** The growing adoption of online shopping will change the space requirements and layout of many retailers as smaller storefronts are required for the shopping experience. Orders are often placed online and then received by the customer at a physical location and many online stores are beginning to have a physical storefront presence that blurs the edges between online and brick-and-mortar shopping.

In Canada, sales from physical stores are not in decline, but are still growing, albeit at a slower pace than online shopping. In the future, the requirement for physical retail space will still persist, and growth will still occur, just at a slower pace than in previous decades. This will impact areas with existing, large format retail that is a few decades old, such as Downtown or the Mayor Magrath Dr. W corridor and will change what retail development looks like in areas such as The Crossings, The West Lethbridge Employment Centre and the southeast corner of the City.

In Lethbridge, while paced retail growth will still occur as the City's population grows, older and underutilized retail floor space will likely see pressure to be repurposed for other uses. E-commerce may also provide opportunities for potential distribution centres in Lethbridge at sites in the West Lethbridge Employment Centre or the southeast corner of the City which can accommodate warehousing and distribution services.

- **The Lethbridge market is likely to see a very limited amount of hotel construction over the next few years.** This means that despite West Lethbridge being underserved by hotels and having a large amount of available commercial land, it is unlikely to see more than one or two hotels constructed prior to 2030. Downtown is also likely to encounter difficulties constructing a luxury hotel by 2030. Construction of these facilities would help attract larger conferences or events to the City. This outlook may change if a major catalyst, such as a convention centre or performing arts centre is built.
- **Although Lethbridge has a large number of post-secondary students, a "Brain Drain" is experienced as these students graduate and move elsewhere.** This phenomenon should be followed closely, *as knowledge is a local resource that remains relatively untapped, which is one of the biggest economic issues that Lethbridge faces and will continue to face into the future.* It illustrates an exodus where students who become highly trained and qualified at Lethbridge's post-secondary institutions are finding opportunities in other locations and are choosing to move away after their post-secondary education is complete. These people are likely to work in relatively high-paying, skilled jobs or will start new enterprises. Much of this loss is due to the relative close proximity of the much larger centres of Calgary and Edmonton which have more amenities to offer and a broader array of employment and capital opportunities. Lethbridge is at a disadvantage in this regard and will likely always experience some type of loss of these recent graduates to these



larger centres. However, this outflow can be decreased as the city continues to grow and if the City of Lethbridge makes a concerted effort to try and retain many of these recent graduates and attract graduates from elsewhere. This can include encouraging the establishment of technological industries that tend to provide well-paying careers and establishing nodes for knowledge-based industries in areas such as Downtown and the West Lethbridge Employment Centre. Developing additional amenities that offer an improved lifestyle and are attractive to both these types of industries and the people they employ is also a key approach.



Chapter 5.0 Economy and Tourism Inventory Considerations

The goal of the ETI project was to address two South Saskatchewan Regional Plan SSRP outcome areas: **Economy** and portions of **Community Development**. The considerations presented below are meant to guide conversations during the update to the MDP. Therefore none of the considerations presented are binding nor will they necessarily be found in the updated MDP or other community planning documents. Final decision-making authority for the content of the MDP is with City Council.

5.1 Economy Considerations

SSRP Outcome: The region’s economy is growing and diversified.

SSRP Strategic Direction: Sustainable development wherein economic development takes into account environmental sustainability and social outcomes.

Consideration	RATIONALE	Relevant SSRP Strategies	IMPLEMENTATION
<ul style="list-style-type: none"> Ensure that Lethbridge maintains a diverse economy and remains a hub for agricultural-related businesses and industries. 	<p>Lethbridge is the hub of an agricultural region and contains many businesses that cater to the agricultural sector, such as farm equipment dealers. A number of factories that also add value to agricultural products through food processing, such as Frito-Lay, Richardson Oilseed and Cavendish Farms are also located in Lethbridge. These agricultural-related enterprises form a large part of the local economy and, with other industries, help Lethbridge to have a diverse and sustainable economy.</p>	<p>1.3 Assist the agriculture and agri-food industry to maximize opportunities for value-added agricultural products.</p> <p>1.4 Support a business climate and complementary production and marketing approaches that recognize the contribution of local production in addition to existing domestic and international market opportunities for Alberta’s agriculture, agri-food and agri-product sectors.</p>	<ul style="list-style-type: none"> Ensure that the MDP and future community planning documents plan for sufficient amounts of industrial and commercial land that will allow for the development of agricultural related enterprises of different types and scales. Encourage the sale of industrial land that is competitively priced compared to other municipalities to motivate the development of agricultural related enterprises.



<ul style="list-style-type: none"> • Encourage and facilitate the installation of renewable energy that is cost effective. 	<p>The cost of solar energy is rapidly declining. It is more environmentally friendly than fossil fuels and may become more cost effective than in the future, especially when natural gas prices begin to rise again.</p> <p>In addition to encouraging solar installations in private projects, the City of Lethbridge, as an organization, should also be a leader in the community for the utilization of solar energy and other renewable energy measures. The Phase 1 Action Plan of the Corporate Environmental Sustainability Initiative has identified renewable energy measures that should be undertaken in City facilities and committed to conducting a solar feasibility study</p> <p>Wind energy was not considered in this report as, due to nuisance issues, it is only permitted in a few areas of the City.</p>	<p>1.9 Ensure policies are in place to promote and remove barriers to new investments in renewable energy (that is, wind, biofuels, solar, hydro) production.</p> <p>1.10 Invest in the development, demonstration and deployment of renewable and alternative energy technologies targeted to improve Alberta’s overall energy efficiency. This will include support for the application of new technologies and support on-going research and development in partnership with other institutions.</p>	<ul style="list-style-type: none"> • Encourage the installation of solar panels on rooftops and individual parcels for micro-generation through the policies of the MDP. • Include policies in the MDP that allow and regulate interim solar farms to be implemented on undeveloped land that will not be developed for at least 20-25 years. This may also require changes to the Land Use Bylaw. • Through the City of Lethbridge’s Corporate Environmental Sustainability Initiative, further research the use of solar energy and increase the utilization of alternative energy measures at City facilities, as both an energy and cost saving measure.
<ul style="list-style-type: none"> • Include the needs of electrical transmission facilities in planning documents. 	<p>New large electrical transmission facilities, such as high voltage power lines and substations require a large amount of advanced planning. Their location and needs should be demonstrated in community planning documents so that they can be accommodated within the community and citizens and decision makers can see where future electrical transmission facilities will be located.</p>	<p>1.11 Ensure reinforcement of the transmission system to enable more renewable power in the region.</p>	<ul style="list-style-type: none"> • Consult the City’s electrical department during the drafting of community planning documents (including the MDP) to discuss the location and needs of future electrical transmission facilities and include these facilities in these documents.

ECONOMY & TOURISM INVENTORY



<ul style="list-style-type: none"> Effectively plan for linear infrastructure corridors to contain multiple forms of major infrastructure, such as arterial roadways, electrical transmission lines, high pressure gas pipelines and sanitary sewer trunks etc., where possible 	<p>Linear infrastructure corridors containing multiple types of major infrastructure have been planned well in advance of development in much of the City. This makes the allocation of resources and future urban development around these corridors easy to understand and this should continue in future community planning documents. Co-location of multiple pieces of major transportation and utility infrastructure, ensures that land development within the City is efficient and orderly.</p> <p>An example is the planned Chinook Tr. right-of-way which, in addition to the future Chinook Tr. arterial roadway, will also contain high voltage transmission lines and a high-pressure gas pipeline.</p>	<p>1.12 Ensure that opportunities for future routes and siting for pipeline gateways, transportation corridors and utility and electrical transmission corridors are maintained in the region and in consideration of the needs of adjacent Land-use Framework regions and provinces.</p> <p>1.13 Work with municipalities, landowners and industry to explore multi-use corridors for co-location of linear infrastructure that supports critical economic linkages to markets for expanded access.</p>	<ul style="list-style-type: none"> Through the MDP and any future planning documents, identify transportation corridors within the City that could also carry major utilities and identify the scale and size of these corridors. Obtain rights-of-way/easements for major transportation and utility rights of way in a timely manner prior the development of new neighbourhoods and infrastructure.
<ul style="list-style-type: none"> Expand the ability to host business events in the City 	<p>Both the Lethbridge Destination Management Plan and the Commercial & Industrial Development Study identified the development of a large convention centre as a priority to attracting larger business and conventions, as Lethbridge misses out on a number of conferences/conventions. Exhibition Park is currently attempting to gain support and funding for expanding their exhibition and conference facilities. The MXD Commercial & Industrial Development Study suggested that Lethbridge would be well served with a flexible convention/performing arts facility that is located in a central location.</p>	<p>1.20 Work with municipalities, private investors and landowners to identify areas of high value for recreation and tourism and to encourage tourism investment and infrastructure development opportunities on identified lands.</p>	<ul style="list-style-type: none"> Through the MDP or future planning documents, identify the criteria of supporting land uses that would lead to the success of a large convention facility.
<ul style="list-style-type: none"> Utilize Lethbridge's unique economic attribute as an agricultural hub to boost tourism 	<p>Culinary Tourism is a growing tourism trend where tourists are attracted to a locale to experience the Local Food and Cuisine. Lethbridge is at the heart of an Agricultural Producing Region and has a post-secondary culinary program offered at Lethbridge College.</p> <p>The Commercial and Industrial Development Study by MXD Development Strategists suggested that the practice of "farm to table" cuisine would enhance the local economy and tourism industry.</p>	<p>1.19 Enhance Tourism Destination Areas within the South Saskatchewan Region (Kananaskis, Canadian Badlands and Southwest Alberta) by engaging with aboriginal communities, municipalities, industry and local stakeholders.</p> <p>1.20 Work with municipalities, private investors and landowners to identify areas of high value for recreation and tourism and to encourage tourism investment and infrastructure development</p>	<ul style="list-style-type: none"> Promote the idea of a centrally located fresh food market through future planning documents including the MDP. Investigate and identify criteria that are needed to ensure the success of a fresh food market in future planning documents.



		opportunities on identified lands.	
<ul style="list-style-type: none"> • Provide opportunities to share unique cultural experiences with visitors through the region’s Indigenous Heritage and Culture 	<p>The Lethbridge region has large potential for growth in the Indigenous Tourism industry that is led by local Indigenous groups or Indigenous-owned companies. While much of this may occur outside of the City boundary, the City of Lethbridge also has the potential for Indigenous Cultural Tourism that utilizes the largest natural area within the City the Oldman River Valley, which is culturally and historically important to the Blackfoot people.</p> <p>Indigenous tourism provides an additional revenue stream to Indigenous groups and helps in understanding Indigenous culture for visitors and locals alike.</p>	<p>1.19 Enhance Tourism Destination Areas within the South Saskatchewan Region (Kananaskis, Canadian Badlands and Southwest Alberta) by engaging with aboriginal communities, municipalities, industry and local stakeholders.</p> <p>1.20 Work with municipalities, private investors and landowners to identify areas of high value for recreation and tourism and to encourage tourism investment and infrastructure development opportunities on identified lands.</p> <p>1.21 Work with municipal governments and other partners to identify, establish and promote scenic byways in and around areas with high-quality attractions and recreation and tourism features. This would include routes, trails and waterways to create distinctive travel experiences and showcase the region’s unique scenic resources and cultural landscapes.</p>	<ul style="list-style-type: none"> • During the MDP process, consult with local Indigenous groups about potential indigenous tourism opportunities. • Include policies in the MDP and future documents that guide authentic Indigenous Cultural Tourism activities in the Oldman River Valley and other sites.



<ul style="list-style-type: none"> Encourage the establishment of hotels in West Lethbridge and a luxury hotel in Downtown Lethbridge. 	<p>Lethbridge currently has a low hotel occupancy rate, meaning that hotel construction beyond current levels will be muted for the short-term future. This means that West Lethbridge will likely not see much hotel construction, beyond one or two hotels, until the 2030's. This glut of hotel rooms in the City also means that the construction of a new luxury hotel in Downtown Lethbridge may not occur in the near future either.</p>	<p>1.20 Work with municipalities, private investors and landowners to identify areas of high value for recreation and tourism and to encourage tourism investment and infrastructure development opportunities on identified lands.</p>	<ul style="list-style-type: none"> Ensure that new commercial areas in West Lethbridge that can support a hotel are appropriately zoned. Ensure that commercial sites are sufficiently serviced by infrastructure in West Lethbridge and Downtown. Encourage Area Redevelopment plans to investigate the conversion of the City's existing, dated hotels to other land uses (such as apartments) in the event that they are no longer viable for the owner to operate as a hotel.
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5.2 Community Development Considerations

SSRP Outcome: Community development needs are anticipated and accommodated.

SSRP Strategic Direction: Strengthening Communities.

Consideration	RATIONALE	Relevant SSRP Strategy	IMPLEMENTATION
<ul style="list-style-type: none"> Consider the impact that e-commerce will have upon the commercial landscape of the City. 	<p>While physical retail space will still exist in the future, the growing trend of e-commerce will continue to slow the growth of its development and will change the format of retail space (i.e. more on-line pick-up locations etc.).</p>	<p>8.11 Provide an appropriate mix of uses in an orderly, efficient, safe and economical manner.</p>	<ul style="list-style-type: none"> Utilize the <i>MXD Lethbridge Commercial & Industrial Development Study</i> to re-examine the amount and type of commercial space that is currently planned for future development in the City through the MDP



<ul style="list-style-type: none"> Consider the impact that the potential development at and around the airport will have on future commercial and industrial development. 	<p>The City of Lethbridge recently took over the operation of the Lethbridge Airport and an Airport Master Plan is currently being drafted. This may change the dynamic of the airport, as it may now see more investment.</p> <p>Additional development at or around the airport was not specifically considered in the <i>MXD Commercial and Industrial Study</i>, as at the time it was drafted, the Airport was under the control of Lethbridge County and it was not known at the time that the airport would transfer to the city. The MXD study does however consider development within the County - it just not specify specific nodes, such as the airport.</p>	<p>8.11 Provide an appropriate mix of uses in an orderly, efficient, safe and economical manner.</p> <p>8.13 Provide a wide range of economic development opportunities, stimulate local employment growth and promote a healthy and stable economy. Municipalities are also expected to complement regional and provincial economic development initiatives.</p>	<ul style="list-style-type: none"> Add an addendum to the MXD Commercial and Industrial Study that takes the results of the Airport Master Plan into consideration and examines the potential impact of development at or around the airport upon future commercial and industrial development within the City. <p>This addendum will be used to inform the concepts and policies of the MDP.</p>
<ul style="list-style-type: none"> Support additional new non-residential development and employment in West Lethbridge and South Lethbridge. 	<p>Having employment and commercial services nearer to people's residences reduces the environmental impact of the City and contributes personal well-being, especially as Lethbridge grows larger.</p> <p>It is unlikely that West Lethbridge will ever have the same amount of employment and non-residential development as North and South Lethbridge. Despite this, efforts should be made to increase the amount of commercial and industrial employment opportunities in West Lethbridge. This will retain at least a portion of West Lethbridge's residential population from commuting to other sectors of the City and encourage residents in other sectors to commute into West Lethbridge.</p> <p>South Lethbridge has a large amount of employment, however this is mainly concentrated in areas of South Lethbridge that are well established, such as Downtown, Lethbridge College and around the Hospital. Newer and developing areas in South Lethbridge are more residential in nature and will be located further away from these existing employment nodes.</p>	<p>8.11 Provide an appropriate mix of uses in an orderly, efficient, safe and economical manner.</p> <p>8.12 Contribute to a healthy environment, a healthy economy and a high quality of life.</p> <p>8.13 Provide a wide range of economic development opportunities, stimulate local employment growth and promote a healthy and stable economy. Municipalities are also expected to complement regional and provincial economic development initiatives.</p>	<ul style="list-style-type: none"> Consult with the City's post-secondary institutions to explore opportunities for the development of knowledge-based industries at or near their campuses. Consider the development of amenities in employment areas in West Lethbridge and South Lethbridge (including Downtown) that are attractive to non-residential development and employers. Such amenities can include access to high speed fibre-optic communications, multi-modal transportation facilities and district energy amongst other options.



	<p>Existing planning documents, drafted in recent years, for areas in South and West Lethbridge, have tried to introduce more employment to these areas in the form of business/light industrial and commercial land uses.</p>		
<ul style="list-style-type: none"> • Encourage the development of non-residential land uses that are appropriate considering the area of the City they are to be located in. 	<p>In recent years there has been significant pressure to redevelop/develop general and heavy industrial parcels located in the industrial area in the City's northeast for other, non-compatible uses, such as commercial. This is largely because industrial land tends to be less expensive than commercial land. At the same time, commercial and business/light industrial uses in West Lethbridge have been slow to develop and there are commercial vacancies in established neighbourhoods.</p> <p>Heavy and general industrial development requires the installation of increased utility servicing capacity. Developing other uses on sites that were planned to contain general or heavy industrial development means that this utility infrastructure is underutilized and is inefficient. This also limits the amount of land that is available for heavy industrial development in the future which, due to prominent wind direction, is constrained to the northeast area of the City.</p>	<p>8.11 Provide an appropriate mix of uses in an orderly, efficient, safe and economical manner.</p> <p>8.12 Contribute to a healthy environment, a healthy economy and a high quality of life.</p> <p>8.13 Provide a wide range of economic development opportunities, stimulate local employment growth and promote a healthy and stable economy. Municipalities are also expected to complement regional and provincial economic development initiatives.</p>	<ul style="list-style-type: none"> • Consolidate heavy industrial development and discourage light/business industrial or commercial development in the industrial area located in the northeast part of the City. Encourage the development of light or business industrial uses in other parts of the City, such as the West Lethbridge Employment Centre or the Southeast ASP area. • Discourage the redevelopment of heavy or general industrial parcels in the northeast part of the City for non-compatible land uses, such as commercial.



Appendix A – Employment by NAICS Category – Canada’s Census Metropolitan Areas / Census Agglomerations (CMAs/CAs)

ECONOMY & TOURISM INVENTORY

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

