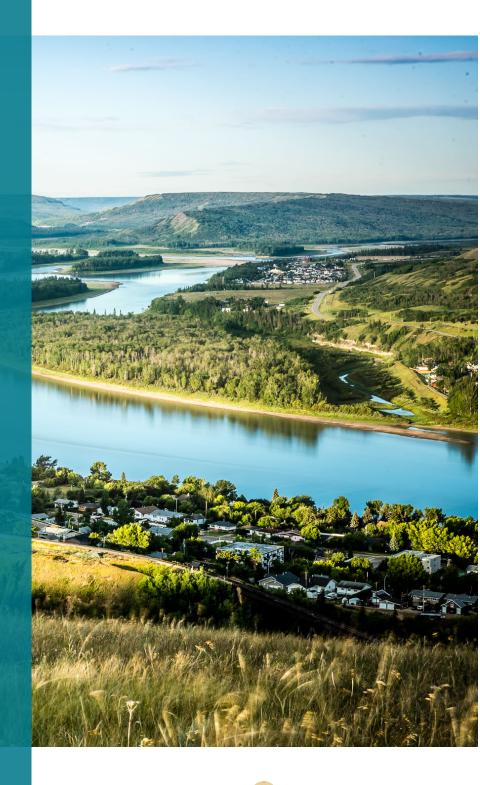
Investment Attraction Strategy

April 2024







Executive Summary

This Investment Attraction Strategy for Peace River is a comprehensive blueprint to foster economic growth and development within the town. Through stakeholder engagement initiatives, including interviews and workshops, valuable insights were gathered regarding the current economic landscape, ensuring community input was an important part of the strategy's formulation.

A thorough regional economic scan provided insights into key sectors, guiding decision-making based on market trends and growth opportunities. A comparative analysis with similar municipalities also offered benchmarks for evaluating Peace River's competitiveness and identifying best practices to emulate.

Building upon these insights, specific economic opportunities were analyzed, spanning sectors such as agribusiness expansion, commercial space development, outdoor tourism enhancement, and complementary services to mining projects. These opportunities were assessed for feasibility and potential impact on Peace River's economy.

Considering these findings, a series of actionable recommendations were developed to guide Peace River's pursuit of economic growth and investment attraction. These recommendations encompass strategic initiatives aimed at fostering entrepreneurship, attracting investment, enhancing infrastructure, supporting workforce development, and strengthening partnerships with key stakeholders.

The Investment Attraction Strategy for Peace River offers a roadmap for unlocking the town's economic potential and positioning it as a vibrant hub for innovation, investment, and sustainable growth. By embracing these recommendations and fostering a collaborative approach to economic development, Peace River can chart a course toward a prosperous and resilient future.

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1 INTRODUCTION & METHODOLOGY

1.1 PROJECT PURPOSE

The primary purpose of this Investment Attraction Strategy is to enhance economic development by attracting new industries to Peace River. By strategically positioning Peace River as an attractive destination for investment, this strategy aims to stimulate business development, job creation, and overall community advancement. Through targeted initiatives and collaborative efforts with stakeholders, this strategy aims to capitalize on the town's unique strengths, resources, and opportunities, thereby attracting new industry investments.

With input from the Project Steering Committee (PSC), this initiative also considers the following objectives:

- 1. Update and extend the 2011 Business case report for Peace River as a Northern Hub into an Investment Attraction Strategy for a Northern Hub.
- 2. Prioritize the type of business expansion and new business investment opportunities the Town of Peace River should pursue.
- 3. Provide the content necessary to implement specific strategies to attract investment to and market Peace River as a Northern Hub.
- 4. Recommend up-to-date content that will update the Town's Economic Development website.
- 5. Create a marketing plan for the shortlisted business opportunities.

Based on those requirements, this Investment Attraction Strategy includes a fundamental assessment of the region's competitive advantages and its capacity for growth. This approach aims to identify the unique features of Peace River's economic environment, define relevant business sectors that can be pursued, allow it to diversify its economic base, and enable the Town to realize gains from its untapped potential.

1.2 METHODOLOGY

Ballad's team of economic specialists, business and financial planners, and engagement and facilitation professionals completed this project using a collaborative approach to ensure the final deliverables met the specific needs of the Town of Peace River. The Strategy pinpoints economic gaps, providing insight into necessary improvements to make as well as new industry opportunities that are aligned with the Town's current position. A breakdown of the methodology is provided below:

1. Identifying Gaps:

- Conduct a thorough analysis of the existing demographic and economic landscape to identify gaps and unexplored opportunities.
- Assess the Town's ability to take on new industry by evaluating the capacity of its land planning and infrastructure.
- Identify the regional municipalities where competition may arise as well as the key factors to consider.
- Examine the finalized selection of comparative municipalities, which serve as examples of similar environments as well as communities that are at the next level of growth.
- Collaborate with local businesses and industry experts to gather insights into potential gaps within the market.
- Develop targeted initiatives and incentive programs to attract businesses that can fill identified gaps, thereby
 fostering a diverse and resilient economy. This approach ensures that Peace River remains adaptive to emerging
 trends and remains a competitive destination for investment.

2. Aligning new Industry Opportunities:

- Proactively pursue and attract new industries that align with and complement the Town's unique environment.
- Review and tailor incentives and support programs for new businesses or industries looking to establish a presence in Peace River.
- Leverage strategic partnerships with key stakeholders such as industry associations, government agencies, economic development organizations, commercial realtors, and land developers to promote Peace River as an attractive destination for businesses seeking expansion or relocation.

2 ENGAGEMENT APPROACH

2.1 ENGAGEMENT OBJECTIVES AND AUDIENCES

Ballad carried out primary research through interviews and an in-person workshop. The engagement was targeted to members of the Town of Peace River's administration, as well as with members of the local business community, to understand the past and current context for business development since the previous study was done in 2011.

The objectives of engagement included the following:

- 1) Gather inputs and insights from identified stakeholders regarding their interests and concerns related to the 'Hub' concept and how its modification and prioritization could grow the business community.
- 2) Inform the development of actionable recommendations supporting the 'hub' concepts identified in the 2011 report and/or new opportunities for business development emerging since 2011.
- 3) Inform impacted stakeholders about the recommendations identified through the research and engagement process.

Prior to project initiation, anticipated engagement audiences were broadly described as local businesses and representative stakeholder groups. The project initiation process, along with meetings with the Project Steering Committee, further defined the key audiences as:

- Project steering committee (PSC) members.
- Recommended businesses and stakeholders identified by the PSC.
- Individuals in local administration roles related to economic development (e.g., Town officials, identified counterparts in neighbouring counties, etc.).
- Individuals in relevant roles representing local Indigenous communities and organizations.
- Businesses from the Town of Peace River business directory operating in the outlined priority sectors from the 2011 report.
- Organizations representing the business community and other local interest groups (for example, the local Chamber of Commerce).

2.2 INTERVIEW PARTICIPANTS AND OUTREACH

Ballad sought recommendations for interview candidates from members of the Project Steering Committee (PSC). From those recommendations, Ballad invited representatives from local businesses and organizations for interviews, pursuing a variety of profiles (e.g., a mix of business sizes, industries, periods of operations, etc.).

Invitations included information regarding consent to participate and the intended use of collected information. Prospective participants were assured that confidential business information would not be requested or disclosed through this process, and identifying details would be removed from any subsequent reporting.

The initial target for completed interviews was 15–20. Invitations were sent to 60 individuals, with the following results:

- 16 accepted invitations and completed interviews.
- 3 accepted invitations but did not respond to scheduling follow-ups.
- 33 did not respond to invitations.

- 3 responded and declined to participate.
- 5 could not be reached through outreach due to incorrect/outdated contact details.

The group of 16 interview participants represented a diverse array of industries, contributing to a multifaceted perspective in their responses. This diverse representation ensured that insights and viewpoints were drawn from a wide spectrum of professional backgrounds, enhancing the depth of the gathered information. This holistic approach ultimately broadened the scope of the analysis.

Interview participants stemmed from the following sectors and industries (associated NAICS codes are also provided):

- Real Estate (531)
- Activities Related to Real Estate (5313)
- Accommodation Services (721)
- Food and Beverage Stores (445)
- Grocery Stores (4451)
- Construction (23)
- Machinery, Equipment, and Supplies Merchant Wholesalers (417)

- Building Material and Supplies Merchant Wholesalers (416)
- Ambulatory Health Care Services (621)
- Social Assistance (624)
- Motor Vehicle and Parts Dealers (441)
- Other Amusement and Recreation Industries (7139)
- Oil and Gas Extraction (211)
- Paper Manufacturing (322)

2.3 INTERVIEW DESIGN

A set of prompting questions was created by Ballad and approved by the PSC before commencing the interview phase. Interviews were semi-structured—while pre-set questions helped to frame the discussion, interviewers could revise them to account for the participant's background and expertise or adjust course during the discussion as necessary.

Reflecting the project's goals related to investment attraction, interviews included questions addressing the following themes:

- Economic strengths and assets
- Industry and sector fit
- Existing business models
- Economic growth and projections
- Challenges and barriers
- Opportunities
- Investment strategies
- Infrastructure development
- Core values

- Marketing and promotion
- Learning from other regions
- Community engagement
- Presentation and selling points
- Regulatory and policy changes
- Effectiveness measurements
- Roles for community organizations and institutions
- Retaining local youth

2.4 WORKSHOP

Following initial economic research and interview delivery, Ballad's facilitation team hosted a workshop in the Town council chambers on December 6th, 2023. The purpose of the workshop was to share initial research results and proposed actions for investment attraction, evaluate emerging recommendations and determine strategic priorities.

The workshop was four hours in length, and the agenda included the following components:

- An activity assessing and discussing Peace River's current state of readiness for investment attraction and business retention, including (but not limited to) municipal administration and infrastructure.
- A presentation summarizing the current economic state of Peace River and the surrounding region, as well as economic forecasts
- Discussion, comparison, and subsequent ranking of a long list of investment attraction opportunities, ultimately narrowing to a list of approximately five opportunities that can be pursued over the next five years.
- A brainstorming session that leveraged group synergy to generate collective marking ideas and key messages to attract investment to Peace River.

There were 10 participants at the workshop, all identified and invited with input from PSC members. The group included elected representatives, administrative staff in relevant roles, and representatives of the local business community.

3 ENGAGEMENT INSIGHTS

3.1 WORKSHOP KEY THEMES

As part of the engagement, an in-person workshop with key members of Peace River was conducted. The participants expressed their expectations of the Investment Attraction Strategy project, and how to best reach a clear path forward for actionable items. These members ultimately contributed diverse perspectives, sharing the goal of overall betterment for Peace River.

One of the activities conducted in the workshop was the development of a SWOT analysis, where strengths such as natural resources and strategic initiatives were identified. Weaknesses, including administrative challenges and communication issues, were outlined. Opportunities included initiatives like the upcoming lithium mine project as well as engaging with local schools and marketing to youth, while threats ranged from budget limitations to negative historical narratives. This SWOT analysis provided a foundation for identifying transformational opportunities, including innovations in local food production, commercial building repurposing, and marketing strategies.

The workshop also touched on the town's geographical constraints, such as flood plains, and the potential impact on insurance costs. The dialogue touched on legislative challenges, including strict provincial regulations, existing by-laws, and the need for revisions to local code to provide more flexibility in planning and development. Communication challenges were recognized, with a discussion of negative historical narratives, stirring a need to focus on improving marketing efforts to counteract such negativity.

The discussion encompassed a comprehensive review of development processes, including a re-evaluation of off-site levies and the formulation of both short-term and long-term plans. Internal processes were a focal point, with an emphasis on streamlining operations and addressing the alignment between departments issuing business licenses and departments working on planning. Organizational reviews were deemed crucial for ongoing adaptability. The challenges faced by smaller developers were acknowledged, and discussions were directed towards creating an inclusive framework. Benchmarking legislation with neighbouring communities was prioritized, reflecting a commitment to regional collaboration. The overall aim was to ensure proactive, efficient, and collaborative development.

A shortlist of opportunities was narrowed down, with tourism and local food development gathering a lot of support. The discussion then shifted to marketing strategies, emphasizing the need for emotional appeal and increased digital presence. The workshop concluded on a positive note, with participants expressing satisfaction and optimism for the town's economic future, underscored by the importance of embracing immigration for potential success.

Key themes included the importance of marketing, with recommendations such as "Find Your Peace" to target local and external audiences. The discussion concluded with core marketing recommendations, including branding efforts, town merchandise, and leveraging the unique features of Peace River to attract visitors and businesses.

3.2 INTERVIEW KEY THEMES

As an important component of community engagement, Ballad conducted interviews with key stakeholders, including the Project Steering Committee and several local business owners in a range of sectors. The formulation of the key stakeholders was strategic and aimed to obtain meaningful insights from Peace River residents concerning the Town's investment attraction strategy. Throughout these interviews, several themes recurred, establishing a consensus on certain areas.

Renowned for its natural beauty, Peace River has garnered attention due to its vibrant atmosphere. Despite acknowledging existing gaps, there is a collective awareness of the town's potential and possibilities for community engagement. Challenges, including the need for skilled professionals and limited retail options, were noted as a factor limiting Peace River's ability to transform into a northern hub for economic growth. Additional challenges include obstacles like the perceived lack of business friendliness and concerns about crime and homelessness. The underutilized river and ski hill were noted as pivotal tourism resources, and strategies to retain the young population included reshaping youth perspectives to greater appreciate 'small town life'. Some desired additions included various retail spaces, and concerns were raised about the adverse impacts of industrial development on local scenery.

The refurbishing of the airport and optimizing the ski hill were noted by stakeholders as critical for economic development and overall town growth. In identifying potential industries, the challenges of the town's limited population and concerns from stakeholders about perceived dependence on oil and gas become apparent. Investment opportunities identified by stakeholders include the redevelopment of the airport, tapping into the underutilized river and the ski hill for tourism, and energy development.

It was noted that marketing strategies should focus on increasing overall marketability, with selling points being the town's natural beauty, proximity to key industries, and growth potential. Regulatory changes, making business more favourable and monitoring indicators like population growth and new permits were noted as essential. To retain the younger population, concerns about medical care, vibrancy, and optimizing recreational facilities, including the ski hill, need to be addressed. Additional recommendations included providing clear direction to the new town council through this strategy and incentivizing property improvement and new businesses.

4 DEMOGRAPHIC AND ECONOMIC SCAN

4.1 LOCATION

Peace River's location in Northern Alberta has historically contributed to the town's role as an economic hub in the region. Located to the northeast of Grande Prairie, Peace River is in a critical location servicing surrounding communities and connecting Northern Alberta and the Northwest Territories to the rest of Alberta.

Peace River benefits from robust transportation infrastructure, including road, rail, and airport access, connecting it to surrounding communities. Major highways such as #2, #43/49, and #35 link Peace River to cities like Grande Prairie and Edmonton, as well as northern communities like High Level, establishing its role as a moderate hub within the transportation network.

4.1.1 PEACE RIVER AS A HUB

Peace River plays an important role both as a retail hub for residents in surrounding communities and as a business hub industry in the region (e.g., agriculture, and resource extraction industries).

To calculate the service area, an examination of Peace River's location and the distance to neighbouring communities was conducted. Using a baseline radius of 100km and accounting for distance between other regional hubs including Grande Prairie, High Level, and High Prairie, we calculate that Peace River services 10,021 households and 23,254 individuals.¹

Distance between Peace River, other regional hubs, and select urban centres are shown below:

Location	Distance (KM)	Population
Peace River	-	6,619
High Prairie	130	2,380
Grande Prairie	193	63,172
Slave Lake	245	6,836
High Level	291	3,461
Edmonton	490	1,010,899

4.1.2 HIGHWAY INFRASTRUCTURE

Examining traffic data, particularly tractor-trailer traffic, is crucial for investment attraction as it provides insights into infrastructure needs, industry dynamics, accessibility, economic health, and competitive positioning of a region. By understanding traffic patterns, stakeholders can identify areas for infrastructure improvements, assess industry activity, evaluate accessibility for businesses, gauge economic vitality, and leverage competitive advantages.

As seen in Figure 1, while northbound traffic on Highway 43 towards Grande Prairie sees a significant presence of tractor-trailer units, the volume decreases substantially on Highway 49 towards Peace River, indicating a diversion of traffic towards Grande Prairie. Similarly, there is a noticeable increase in tractor-trailer traffic on Highway 49 northbound beyond the junction with Highway 2A, but alternative routes have minimal impact on tractor-trailer presence on Highway 2 northbound.

¹ Population and household figures sourced from the Statistics Canada Census of Population 2021. Where unavailable, population data was pulled from the most recent census in which data was available.



Figure 1: Highway Tractor Trailer Traffic Flow (Government of Alberta Traffic Volume Data)



Figure 2: Highway Tractor Trailer Traffic Flow (Government of Alberta Traffic Volume Data)

As seen in Figure 2, approaching Peace River, traffic counts show relatively lower volumes of tractor-trailer units, with Annual Average Daily Traffic (AADT) figures of 127 and 181 on Highways 743 and near Roma Junction, respectively. North of Nampa on Highway 2, the AADT northbound tractor-trailer traffic volume is 394 vehicles. Overall, Peace River's transportation infrastructure facilitates connectivity to surrounding areas, but there are indications of traffic diversion towards larger cities, particularly Grande Prairie, impacting the town's traffic volume.

4.1.2.1 HIGHWAY INFRASTRUCTURE INSIGHTS

Key insights from Peace River's highway infrastructure include:

- Overall, while Peace River's transportation infrastructure facilitates connectivity to surrounding areas, there are indications of traffic diversion towards larger cities, particularly Grande Prairie, affecting the town's traffic volume.
- There is a diversion of traffic towards Grande Prairie, indicated by the substantial decrease in tractor-trailer volume on Highway 49 towards Peace River.

4.1.3 AIRPORT INFRASTRUCTURE

The Peace River Municipal Airport (YPE) is owned and operated by the Peace River Regional Airport Association Limited (PRRAAL), a private not-for-profit organization. The Town transferred assets and ownership of the airport in December 2020 with the hope of having a more business-centred approach, which aimed to create an opportunity to grow commercially, as well as expand local aviation activity. The airport has one runway, which is 5,000 feet by 150 feet alongside a 21,000 square-foot terminal building. It is essential to highlight that, according to the information available, the airport possesses the capability to accommodate sizable aircraft, including but not limited to a Boeing 737. This underscores the airport's potential to handle larger aircraft, contributing to its versatility and capacity for diverse aviation operations.

The nearest airports, within a 200 km radius are High Prairie (111 km), Grande Prairie (147 km), Dawson Creek (170 km), and Slave Lake (197 km). According to flightradar24, a live traffic monitor, the top route from the Peace River Airport (YPE) is Calgary (YYC).² Aircraft movements have averaged approximately 8,400 per year from 2016 to 2019, with a drop in 2020 and 2021 due in part to the COVID-19 pandemic. There are currently no scheduled commercial services at the airport, leaving the operation as a mix of charter, MEDEVAC, helicopter and general aviation (GA) aircraft.³

According to the 2023 Aeronautical Study performed by NAV CANADA, the airport will engage Transport Canada for regulatory review on the following amendments to civil air navigation services: close the Peace River, AB Flight Service Station (FSS) and terminate the provision of Aerodrome Advisory Service and Vehicle Control Service; and introduce a NAV CANADA Automated Weather Observation System (AWOS) with a Voice Generated Sub-System (VGSS) and digital weather cameras to provide weather observations in support of a 24-hour Terminal Area Forecast (TAF).⁴

According to a 2018 Alberta Health Services (AHS) report, beginning April 1, 2018, AHS's new contract provider, CanWest Aviation, will base one 24-hour emergency air ambulance in Peace River. When not in use, this aircraft will be stationed on the tarmac. These arrangements are both temporary as CanWest continues to work with the airport owner on having a hangar. Once a hangar is confirmed, the air ambulance aircraft will once again be based at Peace River Airport. The 24-hour Peace River-based aircraft did 568 medevacs in 2017; 145 of these were from the Peace River Hospital. During the same period, 327 patients were transported from Peace River by aircraft from other bases. These new resources by AHS aim to better support patient care and safety in Peace River.

² Flightradar24 - Peace River Airport

³ NAV CANADA – Review of Air Traffic Services and Aviation Weather Requirements Peace River, Alberta – January 2023

⁴ NAV CANADA – Review of Air Traffic Services and Aviation Weather Requirements Peace River, Alberta – January 2023

⁵ Alberta Health Services (AHS) – Air Ambulance Updates Will Improve Patient Care – March 2018

4.1.3.1 AIRPORT INFRASTRUCTURE INSIGHTS

Key insights from the airport infrastructure are as follows:

- The future operational direction of the airport is not clear.
- The competitiveness or functionality of the airport, as an airport in Northern Alberta, is not known.

4.1.4 RAILWAY INFRASTRUCTURE

The CN railway connects Peace River and surrounding municipalities to Edmonton and the national rail system, which allows for goods to be efficiently transported. The CN line traversing the town stands as the sole route extending northward to Hay River in the Northwest Territories, boasting the most northern route in Canada with high freight capacity and volume. As highlighted in Figure 3 below, the rail system passing through Peace River has a weight limit of 268,000 pounds, illustrated by the purple line. This rail line also provides distribution to four grain elevators within 100 kilometres of the town.

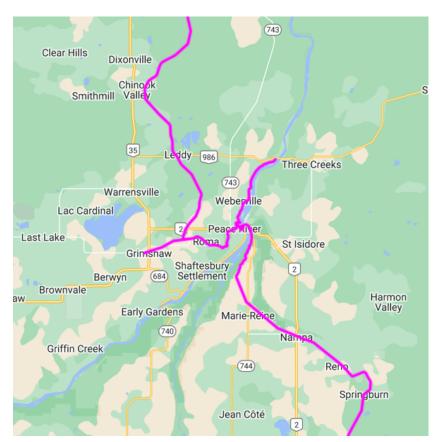


Figure 3: CN Rail Capacity Map (CN Railway)

The town's high-capacity rail line, providing exclusive distribution access to the Canadian north, offers industries significant opportunities for rail distribution. This infrastructure allows businesses to efficiently transport goods to northern markets and streamline supply chain logistics. If any incoming industry decided to build a loading spur on the line within the town, they could enhance operational efficiency and gain a competitive edge. Leveraging this rail network opens doors for market expansion and growth, positioning the town as a strategic hub for industry innovation and economic prosperity.

4.1.4.1 RAILWAY INFRASTRUCTURE INSIGHTS

The key insights that are drawn from Peace River's railway infrastructure are:

- The CN railway connects Peace River to Edmonton and the national rail system, providing efficient transportation of goods.
- Peace River's CN line extends northward to Hay River in the Northwest Territories, offering the most northern route in Canada with high freight capacity.
- The high-capacity rail line going through the Town can offer industries direct access to rail distribution through rail spurs, thereby streamlining supply chain logistics.

4.2 DEMOGRAPHICS

Over the past decade, Peace River has experienced a steady population decline. While the region has historically experienced cyclical trends in population associated with the unpredictable nature of resource extraction industries, a decrease in core workingage individuals and an overall increase in the median age points to some demographic challenges in the community.

4.2.1 POPULATION TRENDS

Alberta led the country in population growth with a 4.0% increase in population between July 2022 to July 2023, as elevated immigration levels fueled growth in the province.⁶ This trend is largely associated with a rise in international immigration to Canada, along with high rates of interprovincial movement. Despite the significant growth in provincial population figures, this trend has not been mirrored in Peace River, where the population has declined steadily since 2013 (Figure 4).

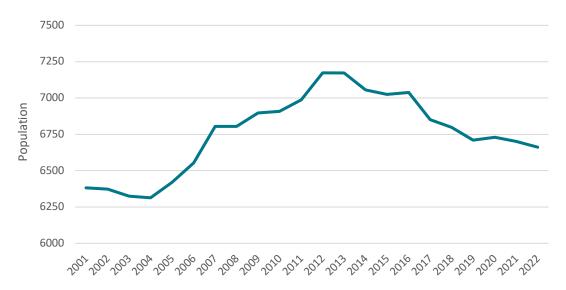


Figure 4: Peace River Population (Statistics Canada Census of Population)

Changes in population since 2001 are illustrated in Figure 5 which highlights the strong growth experienced provincially (in yellow) in comparison to moderate growth in the economic region (green) and slower growth in Peace River (blue). The recent decrease in population is part of a longer-term cycle of population change in the region associated with the cyclical nature of the region's resource extraction industry.

⁶ Canada's demographic estimates for July 1, 2023: Record-high population growth since 1957. Statistics Canada, September 27, 2023.

⁷ For the purposes of this section, the economic region refers to the Athabasca–Grande Prairie–Peace River Economic Region as defined in Statistics Canada Census of Population 2021.

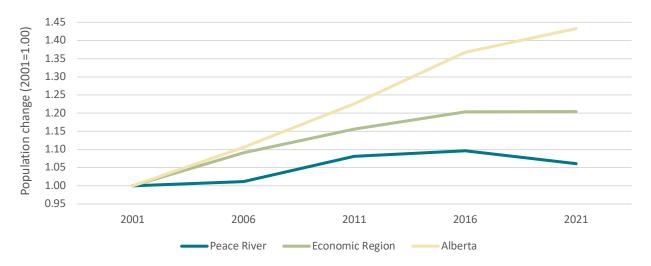


Figure 5: Population growth 2001–2021, standardized. (Statistics Canada Census of Population, Statistics Canada Table 17-10-0137-01)

4.2.1.1 POPULATION TREND INSIGHTS

The following insights were uncovered when examining Peace River's population trends:

- Population decline directly impacts the available labour supply and may pose challenges for industries seeking skilled workers.
- Industry growth is essential to stimulate economic development and revitalize the town's workforce.

4.2.2 AGE DISTRIBUTION

The decreasing population in Peace River has also been accompanied by a change in its age profile. Between 2001 and 2021, the number of individuals under 25 years decreased by 9.9% (200 individuals). At the same time, the number of individuals over 65 years in the community increased by 70.5% from 475 individuals in 2001 to 810 in 2021.

Examining changes in the working-age population, we find that the number of working-age individuals (15–64 years) decreased in relation to the total population. The distribution of working-age individuals fell from 70.9% of the total population in 2006 to 67.6% in 2021. A closer look at the working-age population reveals an increasing portion of older workers (55–64 years) and a decrease in the number of core working-age individuals (25–54 years), as highlighted in Figure 6.

The increasing share of older workers in the workforce points to an aging population, which aligns with national trends in age demographics. Many communities across the country are experiencing an aging population as growth in the number of older individuals outpaces growth in the population of children under 15 years.⁸

This trend is likely to continue to play a role in labour market dynamics as much of the older generation is expected to reach retirement age by 2030, and many will likely exit the workforce at that time.

Despite concerns about its aging population, Peace River's population distribution fares well in comparison to the wider region. Peace River's median age (35.6 years) remains lower than the median age in both the economic region (37.2 years) and Alberta (38.4 years).

⁸ In the midst of high job vacancies and historically low unemployment, Canada faces record retirements from an aging labour force: number of seniors aged 65 and older grows six times faster than children 0-14. Statistics Canada, April 27, 2022.



Figure 6: Trends in the Working-Age Population Over Time (Statistics Canada Census of Population)

4.3 EDUCATION

Understanding the educational profile of Peace River is essential for attracting and retaining businesses that rely on a skilled workforce. By examining factors such as educational attainment levels, prevalent fields of study, and the offerings of local educational institutions, this section aims to highlight the town's strengths in providing a well-educated and adaptable workforce to support diverse industry needs.

4.3.1 EDUCATIONAL ATTAINMENT

Access to local educational institutions and a highly educated workforce are important factors in business attraction. Peace River boasts a highly educated workforce, with about half (48.1%) of individuals aged 15 or older holding a postsecondary certificate, diploma, or degree. Compared with the surrounding region, Peace River has a greater portion of individuals holding a bachelor's degree or higher (16.6%) (Table 2).

Table 2: Ed	ucationa	l Attainmen	t Levels	(Statistics	Canada	Census	of Popula	tion)

Education Level	Peace River	Economic Region	Alberta
No certificate, diploma, or degree	20.7%	25.6%	15.5%
High school diploma	31.3%	31.3%	28.8%
Postsecondary certificate, diploma, or degree below bachelor's level	31.5%	31.8%	30.1%
Bachelor's degree or higher	16.6%	11.3%	25.6%

This abundance of educated individuals enhances the town's appeal as a destination for businesses looking to establish or expand operations. With a workforce equipped with diverse skills and expertise, industries can tap into a pool of talent capable of driving innovation, productivity, and growth.

4.3.1.1 EDUCATIONAL ATTAINMENT INSIGHTS

Key insights derived from the educational levels of the Town's residents are as follows:

• With a significant percentage of educated residents, Peace River possesses a skilled and knowledgeable workforce, which can potentially offset the decline in skilled labour resulting from a declining population.

• With a high level of educational attainment among its residents, Peace River provides a solid foundation for industries requiring specialized expertise and advanced skills.

4.3.2 Major Field of Study

Fields of study are reflective of a region's key industries and economic drivers. Almost a third of all postsecondary education attained in Peace River is in either architecture and engineering, business and management, or health and related fields (Figure 7). The focus on these fields of study reflects Peace River's role as a regional hub for retail and social services, as well as its supporting role in the region's resource extraction industries.

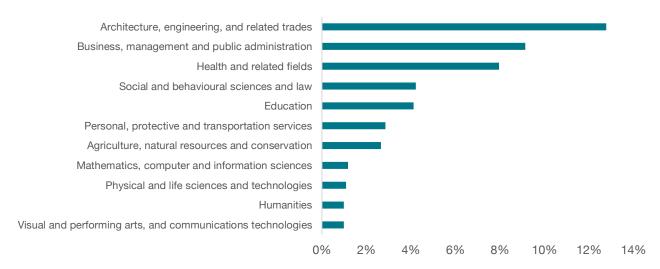


Figure 7: Major Field of Study in Peace River (Statistics Canada Census of Population)

4.3.3 LOCAL EDUCATIONAL INSTITUTIONS

The Town's high rate of post-secondary education attainment can be tied to the availability of local academic institutions offering programs and courses for students, adult learners, and individuals wishing to upgrade their certificate, diploma, or degree. Northern Lakes College offers both online and in-person courses through its Peace River campus. Courses offered are aligned with the community's workforce, with programs available in apprenticeship trades, business and administrative studies, health careers, and more. Additionally, NAIT operates its Centre for Boreal Research in Peace River. This applied research facility specializes in forest restoration and maintenance, and houses industry experts who conduct research in the region.

Existing post-secondary institutions already established in Peace River provide a valuable opportunity for partnerships with industry in both training and research initiatives. Collaborating with these institutions allows businesses to tap into their expertise, resources, and infrastructure to develop tailored training programs that address specific industry needs. Moreover, partnerships with post-secondary entities enable businesses to access cutting-edge research facilities and expertise, fostering innovation and driving technological advancements within their respective industries. By leveraging the established presence of post-secondary institutions, businesses can cultivate mutually beneficial relationships that enhance workforce development.

Based on Peace River's educational institutions, the following insights have been formed:

- Established post-secondary institutions in Peace River offer opportunities for partnerships with industries.
- Collaboration between these institutions and industries can facilitate training programs tailored to industry needs.

LABOUR AND EMPLOYMENT

Peace River retains a labour force that exhibits labour characteristics outpacing regional and provincial figures. Combined with the Town's diversified employment opportunities, Peace River possesses many advantages in attracting business investment.

4.4.1 LABOUR MARKET INDICATORS

Compared to the economic region and the province, Peace River has a strong labour force with higher labour market participation and employment, as well as a lower unemployment rate (Table 3). Since labour market data is not collected on an annual basis in Peace River, the figures in Table 3 are a snapshot of the local market from the 2021 census. It is assumed that these conditions have not changed significantly, but it cannot be confirmed as to whether it has shifted in the last three years.

	Peace River	Economic Region	Alberta
Participation rate	72.6%	67.6%	68.0%
Employment rate	66.9%	60.2%	60.2%
Unemployment rate	7.9%	10.9%	11.5%

Table 3: Labour Force Characteristics in 2021 (Statistics Canada Census of Population)

Work activity in Peace River is also strong compared to regional and provincial figures. 73.9% of the population 15 years and older worked during the year, the majority of which worked full-year and full-time. These figures are substantially higher than the surrounding region, where only 66.9% of the working-age population worked during the year (Figure 8). However, because of Peace River's declining population (as mentioned in Population Trends 4.2.1), employment in the town has decreased by approximately 10% over the last decade. This has been largely caused by volatile oil prices that affect the economic stability of Peace River and the surrounding region.



Figure 8: Work Activity of Working-Age Population (Statistics Canada Census of Population)

4.4.2 EMPLOYMENT BY INDUSTRY

This assessment aims to focus on the diversity of industries in which residents of the Town work. Employment by industry does not necessarily relate to the location of employers; in other words, it includes those individuals who work for employers based in other communities. This assists in understanding what industries primarily draw labour from Peace River.

Research shows that residents are employed mostly in retail trade, health care and social assistance, and accommodation and food services, which combined account for 38.2% of the industries in which residents work (Figure 9).

High employment figures in retail and social services (e.g., retail trade, healthcare and social assistance, etc.) provide the region with stable and reliable employment opportunities. Meanwhile, activity in the region's oil and gas, agriculture, and support industries provides economic diversity and takes advantage of the prominent natural resource industries in the region. Additionally, employment in social services and public administration provides the community with greater stability, especially as much of the region experiences fluctuations in employment due to the reliance on resource extraction industries.

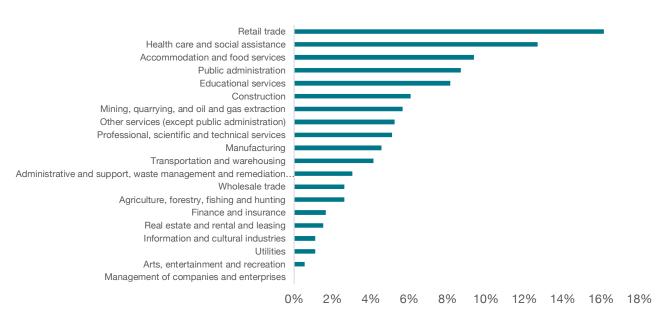


Figure 9: Employment by Industry in Peace River (Statistics Canada Census of Population)

4.4.3 ONGOING EMPLOYMENT INITIATIVES

Given that recent labour shortages have affected local businesses and even the operation of essential services⁹, the Town has taken a great initiative in becoming part of the Rural Renewal Stream through the Alberta government to attract and retain foreign workers. It also participates in the Rural Entrepreneur Stream, which attracts foreign entrepreneurs that would create further employment opportunities.

Proactively engaging in employment initiatives, such as the Rural Renewal Program, to bolster the labour supply is advantageous for attracting incoming industries to Peace River. By actively participating in programs aimed at enhancing workforce availability and skills, the Town demonstrates its commitment to supporting business growth and economic development. Initiatives like the Rural Renewal Program not only attract potential employees to the area but also provide resources and incentives for residents to upskill and enter the workforce.

⁹ <u>Gap in services at Barrhead, Peace River health centres over weekend</u>. A CBC article highlights the effect of labour shortages in Peace River. The Peace River Health Centre was one of many rural health centres who had to suspend service in 2022 due to labour shortages affecting staffing levels.

This proactive approach to addressing labour supply challenges not only meets the immediate needs of incoming industries but also lays the foundation for a sustainable and resilient economy by investing in the long-term development of the local workforce.

4.4.3.1 ONGOING EMPLOYMENT INITIATIVES INSIGHTS

The following insights given Peace River's ongoing employment initiatives include:

- Proactive engagement in employment initiatives, such as the Rural Renewal Program, serves as a proactive approach to boosting the labour supply.
- Participation in such programs enhances the attractiveness of Peace River to incoming industries.

4.5 INDUSTRY ACTIVITY

Understanding the present economic trends and future developments is crucial for enticing investment and nurturing long-term growth. This section aims to highlight the wide spectrum of industries that influence Peace River's economic landscape, while also offering an overview of the local business environment. By showcasing the strengths of existing industries, upcoming projects, and the number of businesses, the Town can strategically position itself as an attractive destination for investors looking to capitalize on its economic opportunities.

4.5.1 Business Counts

As seen in Figure 10, from 2012 to 2022, Peace River experienced a notable decline in its business landscape, marked by a reduction of 33 establishments. This decrease amounts to a 5.9% decline over the past decade. Such a decline in the number of businesses within the community may reflect various factors, including shifts in economic conditions, changes in consumer preferences, and evolving industry trends.

In 2023, Peace River recorded a total of 598 businesses (Figure 11) showcasing the distribution of businesses across diverse industries within the town. The sector data provided reveals a diverse landscape of industries that contribute to the Town's business count. Construction, retail trade, and other services emerge as the primary contributors, each accounting for 12.4%, 11.7%, and 11.7% of total businesses. Meanwhile, sectors reliant on natural resources, such as mining, quarrying, and oil and gas extraction, constitute 6.4% of businesses, reflecting the region's economic ties to them. Sectors like agriculture, forestry, fishing, and hunting; manufacturing; and information and cultural industries make smaller yet significant contributions, each representing around 3% or less of total businesses. Professional, scientific, and technical services, transportation and warehousing, and health care and social assistance sectors also play notable roles, accounting for 6–9% of businesses. However, utilities and public administration have minimal representation, each accounting for less than 1% of total businesses. Overall, the business count illustrates a mix of sectors contributing to the economic diversity of Peace River.

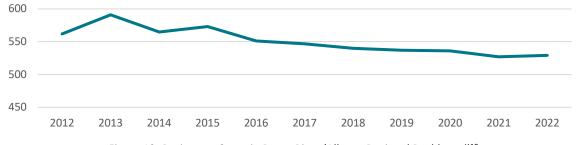


Figure 10: Businesses Count in Peace River (Alberta Regional Dashboard)¹⁰

¹⁰ These business counts differ from those disclosed by Statistics Canada in Figure 11 due to Stats Canada not having regular annual business counts.

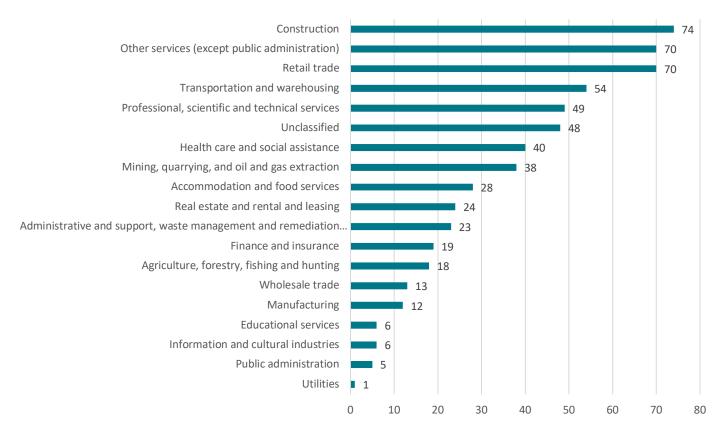


Figure 11: Business by Industry in Peace River (Statistics Canada – Canadian Business Counts)

The following charts offer deeper insight into the industry composition of the top three business sectors, enhancing transparency regarding the dominant business types within the town. This information is valuable for prospective industries considering Peace River as a potential location for their services or operations.

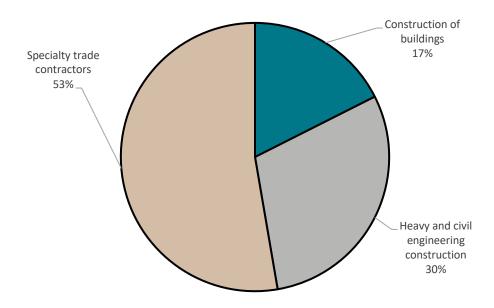


Figure 12: Construction Sector Business Count – Industry Breakdown in Peace River (Statistics Canada – Canadian Business Counts)

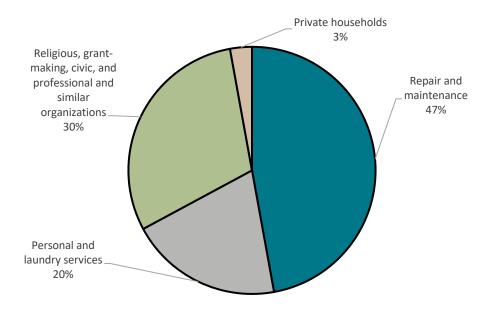


Figure 13: Other Services Sector Business Count – Industry Breakdown in Peace River (Statistics Canada – Canadian Business Counts)

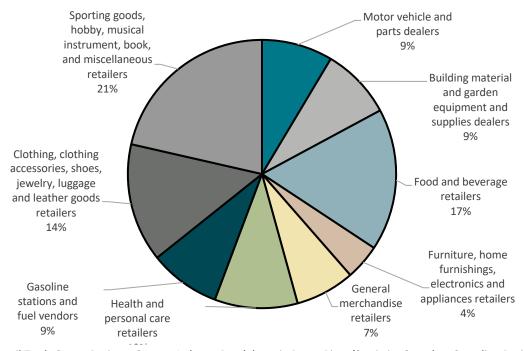


Figure 14: Retail Trade Sector Business Count – Industry Breakdown in Peace River (Statistics Canada – Canadian Business Counts)

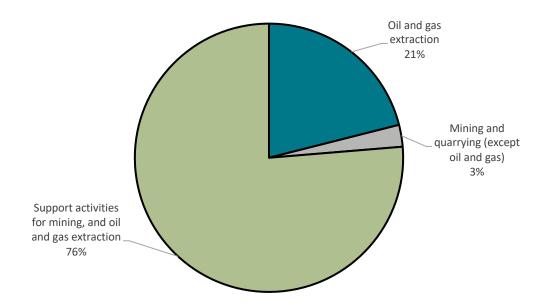


Figure 15: Mining, Quarrying, and Oil and Gas Extraction Business Count Breakdown in Peace River (Statistics Canada – Canadian Business Counts)

4.5.2 Existing Industry

The primary sectors in Peace River are construction and retail trade, constituting a significant portion of the local businesses. However, the region's economy is also heavily influenced by key industries such as forestry, oil/gas, and agriculture, which thrive in the surrounding area.

In Peace Country, the forestry sector stands out as a prominent employer, boasting Alberta's leading position in pulp production. The region's abundant forest resources support a thriving industry focused on timber harvesting and pulp production, contributing significantly to the local economy.

Similarly, the oil and gas industry plays a crucial role in driving economic activity in Peace River and surrounding areas. The presence of numerous drilling operations underscores the region's significance as a key player in Alberta's energy sector.

Additionally, the agriculture industry has a notable presence in the region, with numerous grain elevators, farm equipment suppliers, and feed/input suppliers supporting the local farming community. Although agriculture remains prominent, its growth potential is constrained by the region's limited availability of farmland, largely due to the prevalence of forests. Furthermore, surrounding municipalities dominate the market share of agricultural businesses, further restricting expansion opportunities.

4.6 GDP COMPOSITION

Ballad's estimates of industry output corroborate Peace River's status as an industry hub in the region, with approximately 42% of the total GDP in the town directly attributed to service-oriented industries (Figure 16). Additionally, preliminary research suggests that primary contributors to economic output in the town are the natural resource extraction industries located in the surrounding region, with firms in Peace River playing a vital role in providing support services to these industries.

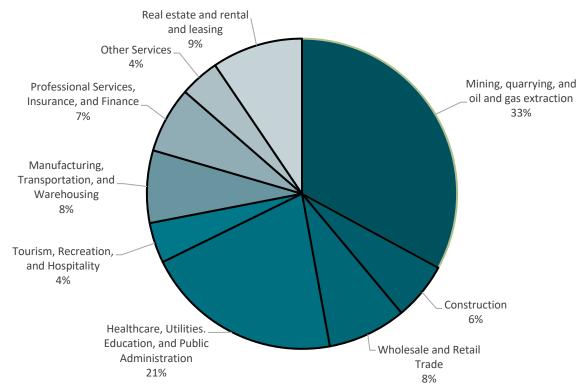


Figure 16: Industry Contributions to GDP (Ballad calculations)

4.7 GDP FORECAST

According to estimates, GDP in the town was approximately \$470 million in 2022, with projected GDP to reach \$483 million in 2023, suggesting a complete recovery following the COVID-19 pandemic (Figure 17). Further GDP growth is expected in 2024, albeit at a moderated rate of 1.49% due to slowing business and consumer activity.

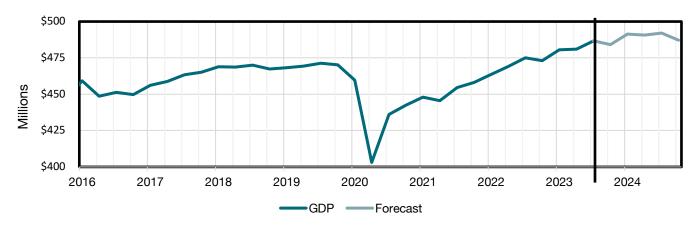


Figure 17: Annualized Real GDP in Peace River (Ballad calculations)

4.7.1 MINING, QUARRYING, AND OIL AND GAS EXTRACTION

The moderate GDP growth forecast aligns with expectations of increased global demand for oil and gas in 2024. The price of West Texas Intermediate (WTI) is expected to strengthen to US\$79/barrel in 2024, likely leading to an increase in investment and drilling activity in the Peace River region.¹¹ Total output growth in the mining, quarrying, and oil and gas sectors is forecast to grow at 2% through 2024.

Increased activity in this sector will have positive effects on the demand for services in Peace River. An increase in drilling activity in the surrounding region will create more demand for engineering and equipment maintenance services, which make up the town's largest exports. Additionally, more traffic in the region will also increase the demand for transportation, retail, and other services.



Figure 18: GDP Growth in the Oil & Gas Sector in Peace River (Ballad calculations)

4.7.2 RETAIL AND WHOLESALE TRADE

The demand for retail services has remained resilient despite high-interest rates weighing down household spending. The post-pandemic boom in consumer spending has driven up activity in retail service industries. With incomes in Alberta forecasted to continue growing over the next few years, ¹² retail spending in hubs such as Peace River is likely to continue growing. As mentioned above, increased investment in oil and gas extraction activities in the region will increase the demand for retail services, providing a unique opportunity for businesses in Peace River to capitalize on these trends.

¹¹ Crude Oil Prices. Alberta Energy Regulator, June 2023.

¹² The Conference Board of Canada forecasts Alberta's GDP to grow at approximately 2% till 2027 after a moderate slowdown in 2023.

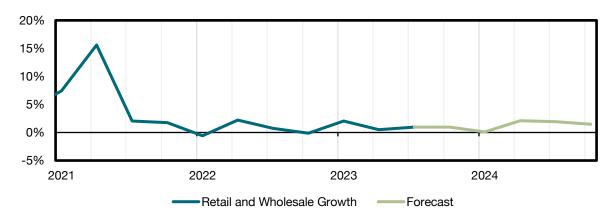


Figure 19: GDP Growth in Retail and Wholesale Services in Peace River (Ballad calculations)

4.7.3 CONSTRUCTION AND REAL ESTATE

Conversely, high interest rates are expected to weigh down growth in certain key industries in the town. Accounting for 15% of GDP, the construction and real estate industries in Peace River play a vital role in creating jobs, leading infrastructure development, and supporting other industries. High interest rates have been weighing down on construction activity nationwide, and with little sign of easing soon, the construction sector will likely experience a moderate slowdown. Additionally, higher interest rates are suppressing housing demand, which will further reduce construction activities and slow down growth in the real estate industry.



Figure 20: GDP Growth in Construction and Real Estate Industries in Peace River (Ballad calculations)

4.7.4 HOUSING MARKET

The housing market in Peace River is moving independently of national and provincial markets. While high interest and mortgage rates are increasing the costs of housing, demand and prices for housing remain elevated nationwide. However, Peace River has witnessed a declining housing market over the past few years.

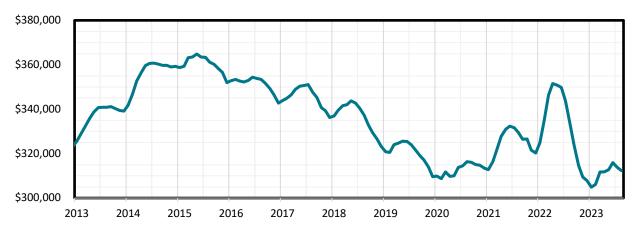


Figure 21: Estimated House Prices in Peace River (Statistics Canada, Zolo, CREA, Ballad calculations)

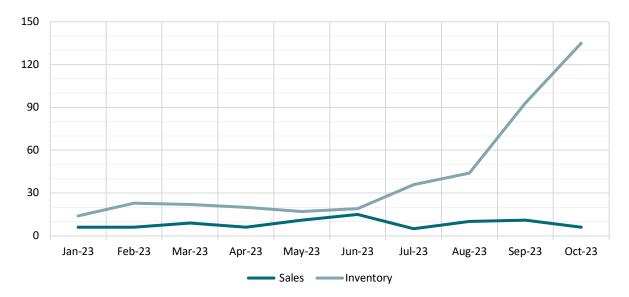


Figure 22: Housing Sales and Inventory in Peace River (Zolo)

Housing market trends suggest that there is a decline in housing demand, with interest rate pressures driving a recent selling spree. Housing inventories have far outpaced sales in 2023, indicating a stronger desire to sell in the current market and driving down prices.

Figure 23 uses Peace River as a benchmark for comparing the median value of dwellings in nearby municipalities with notable populations and offers valuable insights into the regional housing market. The median dwelling values across these areas exhibit variations influenced by several factors. Grande Prairie, as a larger urban center with extensive amenities and employment opportunities, likely commands higher prices compared to more remote areas. Proximity to Grande Prairie may contribute to relatively higher prices in areas like Sexsmith. Conversely, smaller communities like High Prairie, Grimshaw, and Fairview may experience lower prices due to less intense competition in the housing market and fewer amenities. The variation in median dwelling values reflects a combination of factors such as location, economic activity, supply and demand dynamics, market size, and local amenities, underscoring the diverse nature of real estate markets within the region.

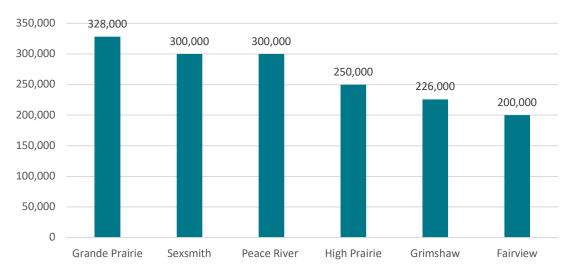


Figure 23: 2021 Median Dwelling Values (\$) (Statistics Canada Census of Population Data)

4.7.4.1 HOUSING MARKET INSIGHTS

Key insights from Peace River's housing market include:

- Declining housing market trends in Peace River indicate a broader symptom of depopulation, observed since 2013.
- The expected decline in population and labour force may lead to a reduction in economic output by the last quarter of 2023.
- The observed trend underscores the need for strategic interventions to address depopulation and its impact on the local economy.

5 STRATEGIC MUNICIPALITY COMPARISON

5.1 COMPARABLE MUNICIPALITIES

In the pursuit of formulating a comprehensive investment attraction strategy for Peace River, it is essential to undertake an analysis of similar municipalities. This section of the report functions as a guiding framework, facilitating an examination of communities that share common characteristics with Peace River.

The Peace River Investment Attraction Strategy's Project Steering Committee (PSC) has provided Ballad Group with a list of eleven comparator municipalities the town used when conducting research for their Council Remuneration Policy revision:

- Whitecourt
- Drayton Valley
- Olds
- Sylvan
- St. Paul

- Rocky Mountain House
- Edson
- Westlock
- Drumheller
- Taber

- Ponoka
- Stettler
- Coaldale
- Redcliff

From these eleven municipalities, five have been identified that are similar to or slightly larger than Peace River and will form the focus of comparative research provided here. This more focused approach leads to a more practical, insightful, and resource-efficient analysis. The five municipalities are:

Drayton Valley

Whitecourt

- Edson
- Westlock

Stettler

5.2 COMPARATIVE ASSESSMENTS

By analyzing these municipalities, valuable insights can be gained from any notable differences. Key factors such as demographics, economic indicators and infrastructure are examined in this analysis. This exercise seeks to foster a better understanding of the future needs that Peace River must address as it progresses toward becoming a more populous municipality with approximately 10.000 residents.

5.2.1 PEACE RIVER

Peace River is a town with a population of 6,619 residents, covering an area of 25.3 square kilometres, resulting in a population density of approximately 261 people per square kilometre. Since 2012, the population has decreased by 7.1% and the median age is 35.6, up from 2016. The median income for households in Peace River is \$100,000 which is slightly above the provincial average. The town boasts a range of essential infrastructure, including a network of highways, Peace River Airport for chartered flights, the Peace River Community Health Centre for healthcare, K-12 schools for education, and Northern Lakes College Peace River Campus for post-secondary education.

With a total labour force of 3,615 individuals, Peace River maintains a relatively small but active workforce. The town boasts an impressive employment rate of 66.9%, indicating a significant portion of its labour force is employed. Additionally, Peace River exhibits a high labour force participation rate of 72.6%, signifying strong engagement among its population.

Positioned within the Peace Country region of Alberta, Peace River serves as a vital hub for economic, social, and cultural activities. Additionally, Peace River plays a crucial role in the Upper Peace planning region, contributing to the broader development and coordination of initiatives. For those seeking access to major urban amenities, the nearest large urban center, Grande Prairie, is situated 193 kilometres away. With an accumulated building permit value totalling \$172.2 million from 2012 to 2022, Peace River has showcased a substantial investment in construction and development projects over the past decade, indicating a robust and growing economy.

5.2.2 WHITECOURT

Whitecourt is home to a population of 9,927 residents living within its 29.5 square kilometres, resulting in an approximate population density of 336 people per square kilometre. Since 2012, the population has experienced a decrease of 5.6%. The town maintains a median age of 34.8; as of 2020, the median household income was \$100,000. Whitecourt is well-equipped with essential infrastructure, including the Whitecourt Healthcare Centre for medical services, the Whitecourt Airport offering air travel access, and a range of K-12 schools for education. Regarding transportation, Whitecourt benefits from connectivity through Highways 43 and 32, which serve as critical routes for regional connectivity and trade.

Whitecourt presents a larger total labour force compared to Peace River, with 5,455 individuals contributing to its workforce. However, the employment rate in Whitecourt is slightly lower at 63.2%, indicating a slightly lower proportion of its labour force is employed compared to Peace River. Nevertheless, Whitecourt demonstrates a high participation rate of 73.7%, suggesting strong involvement among its residents. Despite these positive indicators, Whitecourt struggles with a relatively high unemployment rate of 14.2% in 2021, highlighting challenges in maintaining job opportunities and economic stability within the town.

Positioned within the Upper Athabasca planning region, the town plays a significant role in the regional landscape. The value of building permits in Whitecourt from 2012 to 2022 was \$79.4 million. For those seeking urban amenities, Edmonton, the nearest urban center, is located just 180 kilometres away, providing residents with access to a broader range of services and opportunities.

5.2.3 STETTLER

Located in Stettler County No. 6 in Alberta, Stettler is a community of 5,695 residents. Spanning an area of 13.2 square kilometres, this town enjoys a relatively high population density of 432 individuals per square kilometre. Since 2012, the population has decreased by 3.0%. The town maintains a median age of 43.2, and as of 2020, the median household income was recorded at \$76,000. Key infrastructure resources include the convenience of Highways 12 and 56, which serve as vital channels for transportation and commerce. Education in the community is fostered by a K-12 school, while the Stettler Community Health Centre ensures the health and well-being of the residents.

Stettler has a total labour force of 2,700 individuals, indicating a smaller workforce compared to both Peace River and Whitecourt. The town's employment rate stands at 57.0%, suggesting a moderate level of employment among its labour force. However, Stettler's participation rate is relatively lower at 63.0%, indicating less engagement in the labour force compared to other municipalities. Despite these metrics, Stettler faces a relatively lower unemployment rate of 9.2% in 2021, showcasing a relatively stable job market environment compared to some other towns in the comparison group.

As a key municipality within central Alberta, Stettler plays a pivotal role in the economic, social, and cultural landscape of the region. Additionally, Stettler is positioned within the Red Deer planning region, contributing to regional planning and development initiatives. The value of building permits in Stettler from 2012–2022 was \$25.2 million, indicating a lack of investment in construction and development projects. Situated just 80 kilometres away, the town's closest urban neighbour is Red Deer, providing a gateway to a broader spectrum of urban amenities and opportunities.

5.2.4 FDSON

Edson is a town with a population of 8,374 residents residing within an area spanning 29.4 square kilometres. This equates to a population density of approximately 285 individuals per square kilometre, highlighting its status as a well-populated community. Since 2012, the population has experienced a decrease of 9.2%. The town maintains a median age of 38.4, and as of 2020, the median household income was recorded at \$99,000. The town boasts essential infrastructure, including access to major highways like the Yellowhead (Highway 16) and Highway 47, connecting Edson to regional transportation networks. For education, a K-12 school is situated in the community, and the Edson Healthcare Centre ensures the well-being of its residents.

Edson boasts a total labour force of 4,540 individuals, positioning it as one of the larger workforces among the compared municipalities. The town's employment rate of 62.5% indicates a significant portion of its labour force is employed, although slightly lower than Peace River's rate. Edson also demonstrates a high participation rate of 70.1%, suggesting strong engagement in the labour force among its population. However, the town faces a relatively high unemployment rate of 10.9% in 2021, highlighting challenges in sustaining job opportunities and economic stability within the community.

Edson plays a pivotal role in the Upper Athabasca planning region, contributing to the region's development and progress. The value of building permits in Edson from 2012–2022 was \$103.5 million. For those seeking the amenities of a larger urban centre, Edmonton, located 201 kilometres away, provides access to a wider array of services and opportunities.

5.2.5 Drayton Valley

Drayton Valley has a population of 7,291 residents, spanning an area of 30.9 square kilometres resulting in a population density of approximately 236 individuals per square kilometre. Since 2012, the population has experienced a decrease of 9.5%. The town maintains a median age of 37.6, and as of 2020, the median household income was recorded at \$87,000. The value of building permits in Drayton Valley from 2012–2022 was \$230.9M, indicating a very high level of construction and development projects. The town is equipped with crucial infrastructure, including access to Highway 22, providing a vital transportation link to the surrounding region. Education is well-supported with K-12 schools fostering learning, and the Drayton Valley Hospital and Care Centre ensuring the health and well-being of its residents.

Drayton Valley maintains a total labour force of 3,790 individuals, positioning it within the mid-range in terms of workforce size among the compared municipalities. The town's employment rate of 61.6% indicates a substantial portion of its labour force is employed, although slightly lower than both Peace River and Edson. Drayton Valley also demonstrates a participation rate of 69.5%, suggesting solid engagement in the labour force among its residents. However, the town struggles with a relatively high unemployment rate of 11.4% in 2021, reflecting challenges in maintaining sufficient job opportunities and economic stability within the community.

Drayton Valley is in Census Division No. 11, contributing to the region's demographic insights and statistical data. Edmonton, situated 143 kilometres away, serves as the nearest urban center, offering a gateway to enhanced services and opportunities.

5.2.6 Westlock

Westlock has a population of 4,921 residents who call its 13.4 square kilometres of land home resulting in a population density of approximately 368 individuals per square kilometre. Since 2012, the population has experienced a decrease of 3.8%. The town maintains a median age of 46.8, and as of 2020, the median household income was recorded at \$63,200. The town is supported by essential infrastructure, featuring prominent highways such as Highway 18 and Highway 44 that ensure it remains well-connected to the broader regional transportation networks. The value of building permits in Westlock from 2012–2022 was \$53.2 million. Westlock has K-12 schools, and the Westlock Health Care Centre ensures the well-being and health of its residents.

Westlock presents a smaller total labour force compared to most other municipalities, with 2,080 individuals contributing to its workforce. The town's employment rate of 48.9% is the lowest among the compared municipalities, indicating a significant portion of its labour force is unemployed or underemployed. Westlock also demonstrates a lower participation rate of 54.5%, suggesting lower engagement in the labour force compared to other towns. Despite these challenges, Westlock maintains a relatively moderate unemployment rate of 10.3% in 2021, showcasing some stability in job market dynamics within the community.

Westlock is situated within the Upper Athabasca planning region, playing a crucial role in the region's development and progress. For those seeking the conveniences and amenities of a larger urban center, Edmonton, located just 90 kilometres away, stands as the nearest urban hub, providing residents with access to a wider array of services and opportunities.

5.2.7 DISCUSSION

Economically, the municipalities each display a rich diversity of activities. Peace River boasts a varied economic landscape, with the construction and retail trade sectors at its core. Whitecourt is renowned for its forestry sector, while Edson thrives in the energy sector, particularly oil and gas. Stettler functions as a versatile trade centre with a diverse economic profile. Drayton Valley plays a substantial role in the oil and gas industry, and Westlock primarily focuses on agriculture, collectively contributing to the regional economy.

In the scope of healthcare and education, all municipalities offer facilities that attract residents from smaller neighbouring communities, ensuring access to crucial services and educational opportunities. Cultural and recreational amenities enhance the quality of life in Peace River and Stettler, and similar offerings are prevalent in all comparator municipalities.

Each municipality boasts a retail sector, catering to the everyday needs of local and nearby populations. Should residents of either area require specialized products or services they likely have to travel to larger urban centers to acquire them. All municipalities harness their unique natural beauty and outdoor recreational opportunities for tourism which contributes to their economic vitality and overall appeal.

Across the municipalities, various labour market dynamics shape their economic landscapes. Peace River stands out with a relatively small yet active workforce, boasting a high employment rate and participation rate, despite facing challenges with an increasing unemployment rate. Whitecourt, on the other hand, presents a larger labour force but struggles with a higher unemployment rate, indicating disparities in job market dynamics. Stettler maintains a moderate workforce size with stable employment metrics, while Edson showcases a larger workforce but faces challenges with a high unemployment rate. Drayton Valley maintains a mid-sized workforce with solid engagement but grapples with a relatively high unemployment rate. Meanwhile, Westlock presents a smaller labour force with lower employment metrics but maintains moderate unemployment levels.

Table 4: Municipality Comparison (Statistics Canada Census of Population)

Metric	Peace River	Whitecourt	Stettler	Edson	Drayton Valley	Westlock
Population	6,619	9,927	5,695	8,374	7,291	4,921
Population Growth ('12 - '22)	-7.1%	-5.6%	-3.0%	-9.2%	-9.5%	-3.8%
Median Household Income	\$100K	\$100K	\$76K	\$99K	\$87K	\$63.2K
Median Age	35.6	34.8	43.2	38.4	37.6	46.8
Total Labour Force	3,615	5,455	2,700	4,540	3,790	2,080
Employment Rate	66.9%	63.2%	57.0%	62.5%	61.6%	48.9%
Participation Rate	72.6%	73.7%	63.0%	70.1%	69.5%	54.5%
Unemployment Rate ('21)	7.9%	14.2%	9.2%	10.9%	11.4%	10.3%
Average Housing Price	\$312.8K	\$319.2K	\$262.8	\$322.4K	\$276.4K	\$246.6K
Home Owners (%)	59%	68%	73%	69%	71%	69%
Residents who Work Locally (%)	62%	54%	61%	58%	58%	54%
Largest Industry by Labour Force	Retail	Mining	Retail	Retail	Retail	Healthcare
Distance to Major Urban Centre	193 km	180 km	80 km	201 km	143 km	90 km
Number of Businesses	529	722	431	621	712	307
Building Permits Value ('12 - '22)	\$172.2M	\$79.4M	\$25.2M	\$103.5M	\$230.9M	\$53.2M
Geographic Coverage	25.3km ²	29.5km ²	13.2km ²	29.4km²	30.9km ²	13.4km ²

5.3 COMPARATOR MUNICIPALITY INSIGHTS

Comparing Peace River with similar municipalities reveals valuable insights into their similarities and differences:

Population and Growth:

 While Whitecourt boasts the largest population among the comparison group, Peace River has encountered the third most significant population decrease from 2012 to 2022 (-7.1%), following Edson (-9.2%) and Drayton Valley (-9.5%).

Economic Indicators:

- Peace River and Whitecourt both report a median household income of \$100,000, which stands as the highest among the comparator municipalities.
- Peace River has the lowest unemployment rate at 7.9%, while Whitecourt has the highest unemployment rate at 14.2%, indicating a potential strength in Peace River's labour market dynamics.

Housing Market:

- o Average housing prices are relatively consistent across Peace River, Whitecourt, and Edson.
- Despite similar housing prices, Peace River has a lower homeownership rate compared to Whitecourt (59% vs. 68%).

Labour Force and Industry:

- o Retail is the largest employer in Peace River, Stettler, Edson, and Drayton Valley, suggesting a common economic focus
- Despite having a smaller total labour force compared to some other municipalities, Peace River demonstrates a
 higher employment rate, suggesting a relatively healthy job market with a significant portion of its workforce
 actively employed.

 While Whitecourt has a larger total labour force and higher participation rate, Peace River's higher employment rate suggests that a larger percentage of its available workforce is gainfully employed, which may indicate better job opportunities or economic conditions in Peace River.

• Distance to Major Urban Centre:

 Peace River is relatively distant from major urban centers compared to other municipalities, at 193 km, which could influence the accessibility and economic connectivity.

Building Permits and Business Activity:

- Drayton Valley stands out with the highest building permit value (\$230.9 million), indicating significant construction and development activity compared to other municipalities. Peace River, however, has the secondhighest building permit value (\$172.2 million) which reflects a very good development volume.
- Whitecourt has the highest number of businesses (722), potentially reflecting a more diverse business landscape compared to Peace River.

Overall, while Peace River shares some economic similarities with its comparator municipalities, such as median household income and dominant industries, differences in population trends, labour market dynamics, and economic development strategies highlight unique challenges and opportunities within each municipality.

6 COMMERCIAL AND INDUSTRIAL DEVELOPMENT

Land development serves as the cornerstone for determining whether industries can build facilities, representing the crucial initial step in enticing business ventures. When industries seek to establish themselves in smaller municipalities, they typically engage with commercial realtors, site selectors, and land developers rather than municipal administrations. Consequently, the competitiveness and effectiveness of a municipality's land development environment become paramount in gaining a competitive advantage.

To achieve this, municipalities must ensure the robustness of key developmental components. Strategies include maintaining such tools as an inventory of available land, a streamlined development process, reasonable off-site levies and mill rates, and adequate servicing infrastructure availability. This section of the report was derived from information reviewed directly with the Town's administration and other relevant information sources, providing valuable insights into the local land development landscape.

6.1 AVAILABLE LAND

Before conducting any assessment of land development processes and components, it is essential to establish a comprehensive inventory of available commercial and industrial land within a municipality. This inventory encompasses both municipally owned and privately owned parcels. Presently, the municipality itself does not possess any available land for sale or development.

At the time of drafting this report, there were approximately 51 commercial facilities and land lots listed for sale in the Town, accessible through local real estate agents and viewable on https://www.realtor.ca/. Among these listings, roughly 16 are dedicated to land lots. While utilizing this website can provide valuable information, it is crucial to recognize that it primarily focuses on residential properties. Unlike residential listings, the real estate governing authorities do not require commercial facilities and land to be listed, leading to potential underrepresentation. The prevalence of residential realtors posting commercial listings on the residential site might contribute to this bias. Consequently, there could be commercial sites available that are not featured on the platform. Additionally, this inventory does not include any empty commercial land that may not be actively listed for sale.

Typically, towns find themselves surrounded by counties lacking the necessary infrastructure to facilitate commercial and industrial land developments, resulting in minimal competition for such ventures in their vicinity. Essential services like water supply and wastewater management demand substantial capital investment and supporting infrastructure. Without having this easily available, counties often face the dilemma of either relying on shared services from neighbouring towns to meet the needs of commercial developments or undertaking the construction of infrastructure themselves, both of which are uncommon occurrences. However, in a departure from this norm, Northern Sunrise County, the adjacent county, has proactively established an industrial park approximately 10 kilometres south of the Town, complete with its independent services. Known as Sunrise Gateway Business Park, this facility boasts strong occupancy rates and currently offers available lots for sale. Given its proximity, this location emerges as a direct competitor for the Town. Therefore, it is imperative for the Town to assess this business park's servicing capacity and its ability to support further expansion, which could cause more competition in the future. In addition, the county commissioned a study by Deloitte for the business park, completed in December 2023, that focuses on marketing, investment readiness, and investment attraction activities for the park.

Finally, a notable feature of the town's geography is its hills and valleys, which encompass some of the available land parcels. However, to utilize these areas for development, extensive earthwork would be necessary to level the land. This process incurs significant costs for developers, acting as a deterrent to investment in these spaces.

To encourage development in these areas deemed important by the town, proactive measures can be explored to incentivize developers to undertake the financial burden of land preparation.

6.1.1 AVAILABLE LAND INSIGHTS

Key insights from the available land in the region are:

- The Town doesn't have any land that it can contribute to commercial land inventory.
- There are some listings on the residential web platform, but because it is not mandatory, several available listings may be missing.
- Northern Sunrise County has been actively putting resources into marketing its business park, which will be a strong competitor to the Town's commercial development efforts.
- Any development of the town's hilly terrain would require an incentive for developers to take on or offset the large expense of earth removal.

6.2 LAND PLANNING

6.2.1 SERVICING

Servicing is a key aspect of land development within any municipality, serving as the backbone for its growth and sustainability. It encompasses crucial infrastructural components such as water supply, sewage systems, road networks, and utilities, all of which are essential for fostering a conducive environment for commercial development. Failure to adequately prepare for servicing can lead to significant challenges in planning for commercial land growth and can deter potential developers due to the uncertainty surrounding associated costs. Without proper servicing in place, the municipality may struggle to accommodate the needs of businesses seeking to establish themselves, resulting in missed opportunities for economic expansion and community development. The Town is currently working on updating its servicing maps as there are several areas with known gaps, and it will be beneficial to provide this updated information to developers quickly. Getting a more accurate servicing check in certain areas may require onsite inspections. If the cost is not too great then the Town should complete this; otherwise, it will be passed on to developers.

6.2.2 PLANNING DOCUMENTS

Area Structure Plans (ASPs) are comprehensive documents that outline the intended development and land use for specific geographic areas within a municipality. These plans provide a framework for future growth, guiding decisions on zoning, infrastructure, transportation, and amenities. ASPs typically involve extensive consultation with stakeholders and the public to ensure alignment with community needs and aspirations. They serve as a vital tool for local governments to manage growth in a sustainable and organized manner. The Town's current area structure plans (ASPs) require additional foundational work and will need to be updated as soon as resources allow.

A Municipal Development Plan (MDP) is a strategic document that outlines the municipality's long-term goals, policies, and guidelines for land use, growth, and development within the community. It serves as a framework for decision-making regarding infrastructure, transportation, housing, economic development, and environmental sustainability, and is the plan that encompasses all the land of the municipality. It also accounts for all the ASPs within the municipality. The current MDP is from 2010 and the Town wants to renew it in 2025; this should remain a priority as an update to it will greatly assist with long-term planning, but there are no current plans for annexation. Annexation will provide the ability for the town to continue to grow and provide more commercial development spaces for industry.

An Intermunicipal Development Plan is a collaborative planning tool utilized by municipalities to coordinate land use and development decisions that may affect neighbouring jurisdictions. It establishes policies, goals, and strategies for managing growth, infrastructure development, and environmental protection within areas of mutual interest or shared boundaries. Through extensive consultation and negotiation between neighbouring municipalities, an IDP aims to promote sustainable development, minimize conflicts, and enhance overall regional planning coherence. The Town's current IDP is from 2019 and therefore is recent enough to not warrant an update.

6.2.3 DEVELOPMENT PROCESS

The land development process in a municipality typically begins with a developer proposing a development project to the municipal planning department. This proposal undergoes a comprehensive review process, which includes an assessment of its conformity with the municipality's official plan, zoning regulations, and any other relevant bylaws. Public consultations may also be held to gather feedback from residents and stakeholders. Once the proposal is deemed compliant and acceptable, the developer submits a formal application, which is then subjected to further scrutiny by various departments such as engineering, environmental, and transportation. If all requirements are met, the municipality grants the necessary permits and approvals, allowing the project to move forward. Construction can commence once all conditions are satisfied, and inspections ensure compliance with building codes and regulations. Finally, upon completion of the development, the municipality conducts a final inspection before issuing occupancy permits, officially allowing the land to be used for its intended purpose.

The Town does have a general development process in place; however, it lacks formalization and does not provide timeline commitments to developers for completing its steps. The Town's current steps for land development are:

- Pre-application meeting
- A follow-up email confirming information requirements.
- Submission of the application.
- Review of the application and confirmation if any further information is required.
- Circulation of the application for comment.
- Public consultation, if required typically only for ASPs/MDPs and significant LUB amendments.
- Bylaw & Public Hearing/subdivision/development permit decision processes.
- Appeal timeline, if applicable.

Establishing a structured land development process with clearly defined timelines, to which an administration can adhere, offers significant advantages to land developers in terms of planning and cost management. Developers bear substantial financial burdens and carrying costs, including loan repayments, vendor expenses, contractor fees, and potential investor commitments, all of which necessitate meticulous planning. By securing time commitments from municipal authorities and ensuring reasonable performance from the administration, developers gain confidence and enhanced security in their investments.

6.2.4 LAND PLANNING INSIGHTS

Key insights from land planning are:

- The upcoming servicing maps will be a good resource for developers.
- The ASPs need to be updated to assist with long-term planning and development.
- The upcoming MDP is a priority for the Town, but there are no plans for future annexation.
- The land development process is not formalized and does not have any time commitments to the completion of its steps.

6.3 DEVELOPMENT AND TAXATION COSTS

6.3.1 OFF-SITE LEVIES

Off-site levies in municipalities represent charges imposed by local governments on developers to help cover the costs of infrastructure projects necessitated by new developments. These levies are intended to ensure that growth pays for growth, alleviating the burden on taxpayers for expanding or enhancing infrastructure such as roads, water supply systems, sewage systems, and parks. Essentially, developers are required to contribute a proportionate share towards the construction or improvement of these essential community assets to accommodate the increased demand resulting from their developments. Off-site levies are typically calculated based on factors such as the type and size of the development, its anticipated impact on local infrastructure, and the projected costs of required upgrades or expansions.

The off-site levies of the Town vary between roughly \$35,000 and \$48,000 per hectare. Given that this expense significantly impacts developers, it is essential to compare these levies with those of neighbouring municipalities to gauge the Town's competitiveness.

6.3.2 MUNICIPAL DEVELOPMENT GRANTS

Numerous municipalities offer diverse grants tailored to incentivize developers, existing business owners, and construction companies. These grants encompass a range of support initiatives, including assistance for façade enhancements, off-site levies, brownfield development, and construction endeavours.

The Town currently administers two grant programs:

- Downtown Revitalization Grant
- Business Revitalization Grant

These programs offer valuable financial assistance to existing businesses for renovations or aesthetic enhancements. However, it is imperative to also explore initiatives that incentivize developers to undertake new developments. Such programs can foster the industry growth that the Town would like to focus on.

6.3.3 COMMERCIAL MILL RATES

Commercial mill rates are established to determine the property tax obligations for commercial properties within their jurisdiction. The mill rate represents the tax payable per dollar of a property's assessed value. These rates are set by municipal governments based on their budgetary needs and the assessed value of commercial properties. The assessment process evaluates factors such as property size, location, and current market value. Commercial mill rates play a crucial role in generating revenue for local governments to fund essential services and infrastructure, such as schools, roads, and emergency services.

Table 5: Non-Residential Municipal Mill Rates: 2023 Mill Rate Comparison (Town of Peace River & Relevant Municipal Websites)

Municipality	Non-Residential Municipal Mill Rate
Town of Peace River	24.8
Town of Grimshaw	16.7
Northern Sunrise County (Sunrise Business Park)	17.3
Town of Fairview	18.7
City of Grande Prairie	21.7

The municipal tax rate of the Town was benchmarked against neighbouring municipalities with populations over 2,000, considering their ability to provide services, and against the City of Grande Prairie for competitive analysis, being the closest city. Table 5 illustrates that the Town has the highest commercial mill rate in the region. Notably, it surpasses the rate of the Sunrise Business Park, its adjacent competitor, and slightly exceeds that of Grande Prairie. The latter, being a larger city, enjoys additional advantages and amenities, thus it can sustain a marginally higher rate.

6.3.4 DEVELOPMENT AND TAXATION COSTS INSIGHTS

Key insights from development and taxation are:

- Off-site levies have not been examined to see if they are competitive.
- There aren't any municipal grants focused on providing incentives for land development growth.
- The commercial mill rate is significantly higher than other municipalities in the region.

7 ASSESSING STRATEGIC PRIORITIES

7.1 SWOT ANALYSIS

Using all the information and data regarding Peace River, as defined above, a SWOT analysis was conducted. A SWOT analysis is a technique used to determine and define strengths, weaknesses, opportunities, and threats. This analysis provides a foundation for understanding the current state of Peace River and the factors that should be considered in planning for its future economic development and investment attraction efforts. It is essential to build on the strengths, address weaknesses, capitalize on opportunities, and mitigate challenges that may hinder industry investment. Based on this SWOT analysis, a set of potential opportunities for Peace River to consider in its investment attraction efforts has been identified, which are detailed later in this strategy.

As illustrated below there are several key factors that illustrate the current competitive position of Peace River.

Strengths	Weaknesses	Opportunities	Threats
 Scenic Surroundings Rich Natural Resources Strategic Location Continuing Education Connected Transportation System Advanced Telecommunications Modern Recreation Facilities Strong Small-Town Feel 	 Oil And Gas Industry Reliance Infrastructure Upgrades Required Rezoning Challenges Population Decline High Commercial Mill Rate Downtown Crime Administrative Process Concerns 	 Local Agribusiness Development Tourism Promotion & Diversification Education-Industry Alignment Regional Collaboration Business Incentives & Planning Proactive Marketing 	 Economic Reliance & Vulnerability Policy & Regulatory Changes Skilled Worker Recruitment Infrastructure Funding Challenges Population Decline Consequences Regional Economic Competition

7.1.1 STRENGTHS

These strengths represent Peace River's internal advantages, contributing positively to its overall development and resilience. By identifying and strategically leveraging these core strengths, Peace River is poised to fortify its position, fostering sustainable growth and addressing challenges with a proactive and informed approach.

- Scenic Surroundings: The town is surrounded by scenic natural landscapes, prominently featuring the Peace River itself.
 This environment provides an attractive backdrop, creating ample opportunities for residents and visitors to engage in a variety of outdoor activities such as hiking, fishing, and nature exploration. The scenic beauty also positions the town as a potential hub for tourism, attracting nature enthusiasts and adventure seekers.
- Rich Natural Resources: The surrounding region boasts a wealth of valuable natural resources, serving as a foundation for
 economic development. Abundant deposits of oil and gas contribute significantly to the energy sector, while the forestry
 and minerals sectors further diversify the resource portfolio. Leveraging these resources strategically offers potential
 avenues for sustained economic growth.

- Strategic Location: Peace River occupies a strategic geographic location, functioning as a pivotal shopping and service hub
 for communities north of Grande Prairie. Its central location within the region and its capacity to cater to a low-order
 service and retail sector trade area, as illustrated in Appendix B Trade Areas Map, establish Peace River as a convenient
 and easily accessible hub for economic endeavours. This strategic advantage enhances trade, commerce, and the overall
 economic vibrancy of the town.
- **Continuing Education:** The presence of Northern Lakes College and NAIT's Centre for Boreal Research within the town provides valuable continuing education opportunities for residents. These institutions play a crucial role in fostering the development of skills and knowledge among individuals, contributing to the intellectual capital of the community.
- Connected Transportation System: Peace River enjoys a well-connected transportation system that integrates both road and a central rail network that goes further north. This infrastructure facilitates the smooth movement of goods and people, supporting the efficiency of local businesses and enhancing overall accessibility.
- Advanced Telecommunication Infrastructure: The community has embraced modern technology with a high-speed telecommunication infrastructure. Multiple carriers, including Telus, Bell, Eastlink, and Starlink, ensure widespread connectivity. Fibre optic connectivity enables fast and reliable internet services for residents and businesses.
- Modern Recreational Facilities: Peace River has modern recreational facilities, catering to diverse interests and promoting
 a healthy lifestyle. These facilities include parks, sports complexes, and community centres, fostering a sense of community
 engagement and well-being among residents.
- Strong Small-Town Feel: The town's essence is characterized by a strong small-town feel, creating a close-knit community
 where residents share a sense of connection and mutual support. This fosters a unique living experience, where individuals
 often know their neighbours and actively participate in community events, further enhancing Peace River's charm and
 appeal.

7.1.2 WEAKNESSES

These weaknesses require careful examination to better understand areas where improvements or strategic interventions may be necessary. By acknowledging and addressing these weaknesses, Peace River can formulate targeted strategies to overcome challenges.

- Oil and Gas Industry Reliance: Peace River has traditionally depended on the oil and gas industry, creating a historical
 reliance that exposes the town to economic fluctuations in this sector. This dependency makes the local economy
 vulnerable to market volatility and energy sector downturns, emphasizing the need for diversification strategies.
- Infrastructure Upgrades Required: While the town's gas and electric infrastructure is reliable, some of its critical infrastructure requires upgrades and ongoing maintenance to effectively support economic development. Investing in modernizing infrastructure, including roads and public facilities, is essential for ensuring Peace River's capacity to accommodate growth and enhance overall functionality.
- **Rezoning Challenges:** There may be a requirement for rezoning certain areas within the town to strike a balance between commercial and residential spaces. Adapting zoning regulations to accommodate changing needs is crucial for creating a balanced and functional urban landscape that supports both businesses and residents.

- **Population Decline:** Peace River has experienced a population decline, presenting challenges that can impact economic growth and strain the delivery of essential services. Addressing factors contributing to population decline is vital for growth.
- High Commercial Mill Rate: The town's higher commercial mill rate acts as a deterrent for new business owners and land
 developers. This has led to some businesses opting for alternative locations in surrounding counties and municipalities
 with more favourable tax environments. Addressing this tax disparity is essential to attracting and retaining businesses
 within the community.
- **Downtown Crime:** The downtown area faces elevated crime rates, particularly theft, vandalism, and break-ins. This is attributed, in part, to the release of individuals from the Peace River Correctional Centre into the downtown core.
- Administrative Processes: Concerns have been raised about the administrative processes of the Town, with perceptions of a lack of business orientation contributing to unfavourable business conditions. Improving the planning process and introducing incentives for business owners and developers are suggested strategies to enhance the appeal of Peace River to new industries fostering a more business-friendly environment.

7.1.3 OPPORTUNITIES

Exploring opportunities reveals the external factors that can be leveraged for growth. Identifying and capitalizing on these opportunities is instrumental in positioning Peace River strategically within its regional and economic context. By embracing these positive external factors, the town can unlock new avenues for development and capitalize on emerging trends.

- Local Agribusiness Development: Cultivating local agribusiness ventures taps into the rising demand for locally sourced food. Supporting local farmers and fostering agribusiness not only stimulates the economy but also promotes food security and sustainability.
- Tourism Promotion & Diversification: Peace River's natural beauty, particularly the river, can be leveraged to promote tourism. Strategic development of tourist-centric businesses can further enhance the town's appeal. Hosting festivals and events can further elevate the tourism experience, attracting a diverse range of visitors and boosting the local economy.
- Education/Industry Alignment: Strengthening the alignment between educational institutions and local industry needs is
 crucial for developing a skilled workforce. Tailoring educational programs to meet the specific demands of emerging
 industries ensures a pipeline of qualified individuals, fostering economic growth.
- Regional Collaboration: Collaborating with neighbouring municipalities and First Nations presents an opportunity for
 regional development, efficiency, and overall community well-being. By pooling resources, sharing expertise, and
 addressing shared challenges collaboratively, Peace River can attract larger investments and promote sustainable
 economic growth across the entire region.
- Improve Planning Process and Incentives: Enhancing the Town's planning process and introducing incentives for business
 owners and developers can significantly improve Peace River's appeal for development and new business. A Planning
 Manager and an Economic Development Officer (EDO) could review regulatory policies and collaborate with developers
 and businesses to foster entrepreneurship and economic growth.

Proactive Marketing: Strategic marketing efforts to key business and development stakeholders are essential to position
Peace River as an appealing destination for industry. Balancing the town's unique character with a forward-thinking
approach to growth and development through targeted and direct engagement marketing can attract businesses and
investors looking for opportunities in northern municipalities.

7.1.4 THREATS

An examination of potential threats is essential to anticipate and mitigate challenges. Threats encompass external factors that could pose risks or hinder Peace River's development. By proactively identifying and addressing these threats Peace River can implement contingency plans and navigate potential drawbacks.

- **Economic Reliance & Vulnerability:** The town's heavy reliance on certain industries, including the Mercer Mill and oil revenue, exposes it to market volatility and fluctuations in these sectors. The lack of diversification increases vulnerability to economic downturns, emphasizing the need for strategic efforts to diversify the local economy.
- Policy & Regulatory Changes: Shifts in government policies and regulations, both at provincial and federal levels, have the
 potential to impact resource-based industries and economic development initiatives in Peace River. Unpredictable
 regulatory changes could pose business challenges and require adaptability in the town's economic strategy.
- **Skilled Worker Recruitment:** In a competitive labour market, attracting and retaining skilled workers can be challenging for Peace River. The Town needs to implement strategies to enhance its appeal to skilled professionals, addressing factors such as housing, amenities, and career opportunities.
- Infrastructure Funding Challenges: Securing funding for infrastructure improvements and maintenance poses a challenge, particularly for a smaller town. Limited financial budgetary resources may hinder essential upgrades, potentially affecting the town's overall infrastructure and its ability to support economic growth.
- Population Decline Consequences: A continuing population decline could lead to reduced local demand and economic
 vitality. It is imperative to address factors contributing to population decline and implement measures to sustain and grow
 the community.
- Regional Economic Competition: Nearby municipalities actively promoting economic development create competition that could draw investors and businesses away from Peace River. Strategic initiatives are necessary to showcase the unique strengths and opportunities the town offers, ensuring it remains an attractive destination for economic activities.

8 FUTURE INDUSTRY OPPORTUNITIES

8.1 THE TOWN OF PEACE RIVER'S STRATEGIC GOALS

The Town of Peace River has outlined strategic goals integral to its Investment Attraction Strategy. These goals are designed to ensure the town's sustainability and vibrancy, foster economic growth and employment opportunities, enhance the appeal of its downtown, prioritize community safety, and facilitate accessible housing for all residents.

The presented opportunities align closely with the strategic pillars of the Town of Peace River, which serve as the focal points of the Town's efforts. These pillars are:

- 1) A strong, safe, and connected community: recreation, history, social interactions, culture, youth, and seniors.
- 2) A robust and sustainable economy: diversification, zoning, transportation.
- 3) An environment in which people want to live: urban beautification, environmental impact, housing.
- 4) A high-functioning local government: Council, partnerships, engagement, customer service, municipal sustainability.

8.2 METHODOLOGY

Based on the environmental and economic scans, along with the information provided by the Peace River Investment Attraction Strategy's Project Steering Committee (PSC) and other key stakeholders, this report identifies several potential industry opportunities for future development. These opportunities were evaluated using the following methodology to ensure their viability:

Economic Viability: What does the municipality have that works with this industry?

• Understanding why an industry is compatible with a municipality involves a comprehensive evaluation of the municipality's inherent strengths and weaknesses, which collectively determines its overall capacity. This foundational assessment, outlined in the prior sections of this document, encompasses critical factors like infrastructure quality, land development, demographics, labour availability, geographical advantages, and the competitive landscape within the region. By meticulously analyzing these elements, we can gauge the feasibility of introducing a new industry to the municipality. Not only does this provide clarity on the municipality's business capacity, but also empowers it with transparency to make informed decisions on whether to allocate time and resources toward fostering that industry. Moreover, any pursuit of a new industry should align with the municipality's long-term goals and objectives, ensuring strategic alignment with its broader vision.

Economic Profile: What does this industry look like, and is it experiencing growth?

• This provides an overview of the general operations and dynamics of the industry, offering insights into its operational landscape and surrounding conditions. It also reviews any available future growth projections and opportunities within the industry. By thoroughly outlining the industry's structure and pinpointing potential challenges that may affect its course, a municipality can gain a better understanding of the landscape that it is navigating.

Opportunity Requirements: What is needed for this industry to successfully enter and operate in the municipality?

To effectively facilitate the entrance and operation of an industry within a municipality, there must be identification of the
requirements that the municipality can realistically accommodate. By doing so, the municipality can assess its compatibility
with the industry and identify any deficiencies it needs to remedy. This approach enables the municipality to strategically
align its resources and regulations with the needs of the industry.

In a collaborative effort to chart the course for investment attraction, key stakeholders from the Economic Development Committee (EDC) and the Project Steering Committee (PSC) joined in a strategic workshop aimed at identifying and prioritizing opportunities that hold the potential to shape the future of Peace River. This workshop brought together diverse perspectives, expertise, and insights to deliberate on a wide spectrum of initiatives.

It is important to note that while the engagement conducted in Peace River, including the workshop with key stakeholders, highlighted notable opportunities associated with enhancing the underutilized river, airport, and ski hill, these specific opportunities are not detailed within this Investment Attraction Strategy. The decision to not incorporate them as economic opportunities outlined in this strategy stems from various factors. Primarily, there were other industries deemed more impactful for immediate economic growth. Secondly, these opportunities were considered more within the scope of community development rather than directly attracting investments. While these opportunities were acknowledged in stakeholder engagement, their omission from this strategy highlights a multifaceted approach to economic development, considering various factors and considerations specific to Peace River.

After giving full consideration to all information, through the lens of economic development, the following curated shortlist of industries was developed:

- 1) Mining and Minerals Lithium Mining Servicing
- 2) Local Food Industry Development Vertical Farming
- 3) Commercial Establishments Food and Retail Locations
- 4) Tourism Hunting Outfitting

8.3 OPPORTUNITY #1: LITHIUM MINING SERVICING

Peace River has the opportunity to significantly contribute to NeoLithica's Peace River Lithium Project by servicing crucial supply chain services to their planned lithium brine extraction projects in the surrounding region. This examines the details of the industry and outlines the potential opportunity for the Town.

8.3.1 BACKGROUND

Lithium, a key component in battery technology powering electric vehicles and renewable energy storage, is set to be a transformative force as Canada and the world aim to adopt more sustainable practices. The NeoLithica project in Peace River employs lithium brine mining, which is extracted from underground aquifers with drilling rigs like those used in oil and gas drilling. These rigs have similar operational needs to those of oil and gas rigs, which in turn, require a strong business supply chain from the region. The raw lithium that is extracted from the wells is sent out of the province for refining as currently there are no refining facilities in Alberta. This type of mining in Alberta is strategically positioning the province as a cornerstone in the Canadian lithium market. Beyond lithium extraction, the project anticipates generating valuable by-products such as carbonate and hydroxide, with far-reaching applications in the electric vehicle market and energy storage sectors.

NeoLithica's Peace River Lithium Project, situated in the Peace region of northwest Alberta, spans 1,924 square miles along a 165-kilometre area, including highly productive lithium-rich aquifers. The company holds a 100% interest in 609,853 hectares of Alberta Crown Metallic and Industrial Mineral permits, with 498,353 hectares falling within the Peace River Lithium Project area. This project encompasses 62 permits issued by Alberta Energy, covering a span of over 165 kilometres from Township 74, Range 4 W6M to Township 85, Range 17 W5M. Accessible via Highway 2 and secondary roads, the area is served by two regional airports: Grande Prairie (YQU) and Peace River Regional (YEP), located approximately 45 kilometres from the project's southernmost and northernmost points, respectively.

Positioned in a high-growth economic centre with well-established energy and transportation infrastructure, the project leverages the region's advantages. With a resource of 10 million tonnes and the potential for an additional 5 million tonnes in overlying aquifers, NeoLithica's Peace River Lithium Project holds significant promise. ¹³

From direct interviews with NeoLithica's leadership, we learned that they strategically developed a two-stage precommercialization plan to establish itself as a sustainable global producer of critical electric metals extracted from brine in Alberta's aquifers. The initial stage, to be fully completed by the end of 2024, involves setting up two pilot wells to test for site performance and requirements. They have already completed the initial stages of resource definition, compliance reporting, environmental scoping, and stakeholder consultations to refine well and pipeline infrastructure. The second stage, targeted for 2025–2026, will focus on adding 30–40 more production well sites if the pilot wells are successful. Following this, a Preliminary Economic Assessment (PEA) will be commissioned, refining lithium concentrate for battery-grade compounds, leading to the development of an aquifer management plan and a Pre-feasibility Study. The long-term goal of the company is to have approximately 300 wells in production by 2027, but this will be contingent on whether capital from private investments for growth is completed by the second stage.

¹³ NeoLithica Ltd., Peace River Lithium Project

 $^{^{\}rm 14}$ Direct Interview conducted with executive management of NeoLithica Ltd.

¹⁵ NeoLithica Ltd., Peace River Lithium Project

8.3.2 MARKET ASSESSMENT

The market assessment highlights the specific demand for lithium in Canada, propelling Peace River into a position within the national and potentially global context. NeoLithica's Peace River Lithium Project is strategically positioned to cater to this demand, offering a distinctive advantage in the Canadian lithium market. As Canada intensifies its focus on electric vehicles and renewable energy solutions, Peace River's lithium-rich landscape, coupled with the innovative techniques employed by NeoLithica Ltd., positions the region as a key player in satisfying the growing market demand within the country.

Within the province, Alberta leverages a streamlined government and regulatory process, overseen by the Alberta Energy Regulator, which operates under an efficient permitting and approval regime for lithium development. Additionally, Alberta benefits from a well-established provincial resource development framework, ensuring meaningful consultation with stakeholders and Indigenous communities.

McKinsey & Company, a worldwide strategy & management consulting firm, is forecasting substantial growth in global lithium-ion batteries over the next decade, with lithium production projected to reach 3,000,000 tonnes per annum by 2030. The global lithium market is expected to surge to US\$22.6 Billion by 2030, growing at a CAGR of 16.4%. Canada, anticipating a CAGR of 13.6% in its lithium market, is poised for growth. Current market prices underscore the premium value of battery metals, with lithium carbonate witnessing an increase since 2021 due to escalating demand for electric vehicles. Following a climb from \$7,000 per tonne in January 2021 to \$26,200 per tonne by November 2021, prices for lithium carbonate surged to \$67,000 per tonne in November 2022, driven by supply limitations and increasing demand for electric vehicles.

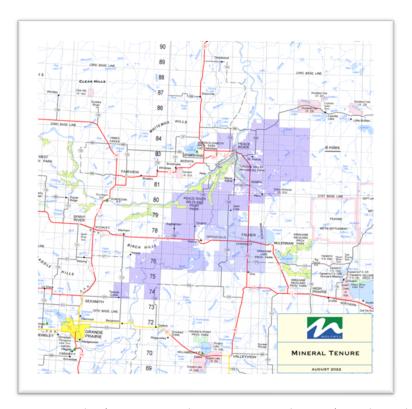


Figure 24: NeoLithica's Peace River Lithium Project Mineral Tenure (NeoLithica Ltd.)

 $^{^{16}}$ Benchmark Mineral Intelligence, Argonne National Laboratory, Research and Markets

¹⁷ Natural Resources Canada, Lithium Facts

8.3.3 PEACE RIVER ADVANTAGE

In Northwestern Alberta, Peace River Region's lithium-rich deposits make it a significant player in the lithium supply chain with NeoLithica's Peace River Project representing one of the largest single lithium-brine resources in western Canada. NeoLithica's utilization of lithium brine mining capitalizes on the region's unique geological advantages, emphasizing the strategic importance of Peace River in contributing to the growing lithium market. Situated at the heart of the lithium-rich region, bolstered by convenient transportation links and a robust business ecosystem, Peace River can firmly establish itself as the hub of the supply chain for industry operations, poised to actively facilitate NeoLithica's forthcoming projects. The region Is also home to significant oil and gas production and well-developed infrastructure, which can also be leveraged to accelerate commercial lithium development and add business expansion to existing service companies in Peace River.

8.3.4 INSIGHTS

The upcoming NeoLithica project, coupled with the lithium-rich landscape of the Peace River region, presents a transformative opportunity poised to redefine the region's role in the lithium market. Leveraging existing oil and gas supply chain service companies in the region offers a strategic advantage due to their similarity to oil and gas rig well sites in production. Advantages include:

- Utilizing the Town's skilled labour force for various tasks related to lithium extraction operations.
- Leveraging existing accommodations infrastructure to house workers involved in lithium projects.
- Accessing a range of equipment and service supply options, including repair services, trucking, heater tanks, hydro-vac, and more.
- Securing feedstock supply such as pipe and site supplies through established channels and networks.

The absence of lithium refining facilities in the province presents an opportunity to explore the establishment of a facility in the Peace River region, which would:

- Position the region and Town strategically to service the increasing demand for lithium refining services.
- Foster economic growth and diversification by capitalizing on the region's lithium-rich landscape.
- Create employment opportunities and stimulate local economic development as volumes of lithium extraction operations grow.

8.4 OPPORTUNITY #2: VERTICAL FARMING

An opportunity for vertical farming in Peace River presents a sustainable method for urban agriculture and the development of green infrastructure. Through the utilization of vertical spaces, this initiative seeks to grow plants and vegetables using advanced hydroponic or aeroponic systems.

8.4.1 BACKGROUND

Vertical farms represent an innovative shift in agriculture, utilizing innovative techniques to grow crops vertically, thereby optimizing space utilization and resource efficiency. These farms come in various sizes, ranging from small to large-scale operations. Small to medium-scale ventures, exemplified by entities like Vertical Roots Canada, typically operate within facilities spanning 1,500 to 5,000 square feet. They often cater to the needs of smaller municipalities, focusing on cultivating leafy greens such as lettuces, kale, spinach, bok choy, and various herbs. Fruit-bearing crops, given their higher operational costs, are usually avoided in these setups.

Operational requirements for small to medium-scale farms include access to standard commercial or industrial warehouse spaces. Additionally, essential equipment such as HVAC systems, air conditioning, and dehumidification units are necessary to maintain optimal growing conditions. While access to standard utilities like water, electricity, gas, and high-speed internet is crucial, such operations typically do not impose significant strain on services or entail high industrial demand. Remarkably, even the smallest operations can function with just one owner and 1–2 part-time staff, primarily engaged in general labour tasks rather than requiring specialized skills.

In terms of market and financial considerations, customers of vertical farms are typically direct consumers, farmers' markets, or smaller independent grocery stores. Economic feasibility typically requires a minimum population of around 2,000 individuals within the vicinity. Notably, there already exists a successful vertical farm in St. Paul, Alberta, servicing its surrounding region, demonstrating the viability of such ventures in rural settings. Furthermore, small-scale operations boast an impressive net profit margin of 50–60%, while larger-scale facilities achieve approximately 35% net profit, making vertical farming an economically attractive prospect for Peace River.

8.4.2 MARKET ASSESSMENT

The current market size for vertical farming in Alberta is still relatively small, with less than 10 commercial-scale operations in the province and approximately 12 commercial vertical farms operating in Canada. While specific data on the current market size for vertical farming in Alberta is not readily available, it is important to note that the global market for vertical farming is experiencing significant growth. According to a report by Mordor Intelligence, the global vertical farming market size is estimated to be USD 14.23 billion in 2024 and is expected to reach USD 23.23 billion by 2029, with a compound annual growth rate (CAGR) of 10.30% during the forecast period. 9

Furthermore, the Canadian vertical farming industry is on the rise, with a noticeable upward trend in market size. In 2021, the Canadian market was valued at USD 553.9 million, and it is expected to grow considerably, with a forecasted CAGR of 28.1% predicted from 2022 to 2027. The interest in vertical farming is growing among consumers, as well as national, regional, and local food retailers in Canada.

 $^{^{\}rm 18}$ Growtrade Consulting Inc. – A Look at Vertical Farming in Canada

¹⁹ Mordor Intelligence – vertical Farming Market Size & Share Analysis

In Alberta, the government has demonstrated its commitment to supporting the development of vertical farming through various initiatives and funding programs. For instance, the province's Agriculture Funding Consortium provides financial assistance to agricultural projects, including those related to innovative farming practices and technology adoption. Such support can significantly benefit vertical farming entrepreneurs and businesses looking to establish or expand their operations in the region.

While vertical farming is still emerging in Alberta, including the Peace River region, its potential to transform the local agricultural landscape is significant. By leveraging technological advancements, government support, and a focus on sustainable food production, vertical farming can offer a viable and resilient alternative to traditional farming practices in the region.

8.4.3 PEACE RIVER ADVANTAGE

Peace River possesses several advantageous attributes that make it an ideal candidate for future vertical farming opportunities. Firstly, the town boasts an environment conducive to the development of this industry. With existing commercial spaces readily available and the potential for new space, if needed, the cost of building infrastructure is relatively affordable. Furthermore, Peace River serves as a central hub within its northern region, positioning it strategically for expansion into neighbouring areas such as High Level and Hay River. This geographic advantage facilitates the distribution of vertical farming products to a wider market, enhancing growth prospects for the industry.

Moreover, Peace River benefits from a large local labour supply, providing ample workforce availability for larger vertical farming operations. This ensures that businesses in the sector can easily recruit skilled and unskilled workers to meet operational needs. Additionally, Peace River's infrastructure can support vertical farming without imposing significant strain on existing utilities. The facilities do not require high-capacity utilities, mitigating potential issues with infrastructure overload and ensuring the integration of vertical farming operations into the local community.

Overall, Peace River's favourable environment, strategic location, abundant labour supply, and compatible infrastructure make it well-positioned to capitalize on the vertical farming opportunity. By leveraging these advantages, the town can foster the growth and sustainability of the vertical farming industry while contributing positively to its economic development and environmental stewardship.

8.4.4 INSIGHTS

The following insights underscore the feasibility and potential success of vertical farming ventures in the Town.

- Utilization of existing commercial space: Vertical farming in Peace River maximizes the use of current commercial areas, avoiding costly renovations and expediting facility setup. This approach reduces initial investment requirements, facilitating quicker market entry and revenue generation.
- **Minimal labour requirements**: Peace River's vertical farming operations demand fewer workers compared to traditional agriculture methods, leading to reduced labour costs and improved operational efficiency. The ability to manage a smaller workforce enhances flexibility and agility in operations.
- **Ease of operation**: Vertical farming ventures benefit from simplified processes and streamlined management practices in Peace River. The straightforward nature of these systems makes them accessible to entrepreneurs of varying expertise levels, lowering entry barriers into the industry.
- Profitability with smaller markets: Peace River's vertical farming ventures thrive with smaller market sizes, unlike
 traditional farming methods reliant on vast land expanses. This scalability aspect enables profitability in smaller
 communities, fostering opportunities for local entrepreneurship.

- Resilience to geographical challenges: Despite being situated in the north, Peace River's vertical farming initiatives remain unaffected by geographical obstacles. Efficient supply chains and distribution networks ensure seamless delivery of fresh produce to local vendors and neighbouring regions, ensuring consistent market access and revenue streams.
- Provision of fresh produce to local markets: Vertical farming in Peace River enhances access to fresh, locally grown
 produce for residents and businesses. By supplying fresh greens directly to consumers and vendors, these initiatives
 promote food security and bolster the local economy, fostering community engagement and strengthening growerconsumer relationships.

8.5 OPPORTUNITY #3: FOOD AND RETAIL LOCATIONS

Food and retail locations are always a strong component of municipalities that have a population of over 5,000 residents. This section addresses opportunities for the town to increase the number of restaurant retail and grocery outlets operating locally.

8.5.1 BACKGROUND

Retail locations such as food, retail, and grocery chains expand by carefully evaluating various factors to ensure success in rural towns or locations. These chains typically prioritize areas with growing populations, sufficient infrastructure, and economic stability. Moreover, they consider factors like proximity to transportation routes, access to suppliers, and competitive landscape. In rural settings, chains often look for communities with untapped market potential, where there is limited competition and demand for their products or services. They might also seek locations where they can integrate into the local community, offering employment opportunities and supporting local initiatives. Additionally, they assess the feasibility of adapting their offerings to cater to the unique preferences and needs of rural consumers, such as providing a diverse range of locally sourced products. This strategic approach enables retail chains to effectively expand their presence while meeting the specific demands of rural areas in Canada.

8.5.2 MARKET ASSESSMENT

Retail is Canada's largest private-sector employer with over 2 million Canadians working in the industry. The sector annually generates over \$85 billion in wages and employee benefits. Core retail sales (excluding vehicles and gasoline) were over \$462 billion in 2022. The retail market in Alberta is rebounding post-pandemic, with a notable shift towards brick-and-mortar shopping. This resurgence, along with growth in the industrial and retail sectors, is bolstering the province's economic recovery. Alberta's retail trade sales increased 28.7% from 2017–2023. As per the latest Statistics Canada's National Economic Accounts, the retail trade sector constituted \$14.1B (4.34%) of Alberta's GDP in 2021, marking a rise from 4.07% in 2011. Over the period from 2012 to 2022, the industry's share of Alberta's employment increased from 11.0% to 11.8%.

During the pandemic in early 2020, retail food and beverage store sales surged but stabilized by late 2022, with December 2022 sales reaching nearly \$1.6 billion, marking an 11% increase from pre-pandemic levels in 2019. The long-term sales trend typically sees higher sales in December, buoyed by food price inflation and holiday spending. In the fourth quarter of 2022, food and beverage store sales increased by 3.75%, notably driven by a 4.3% increase in grocery stores, although convenience stores experienced a significant 24% sales drop. Specialty food stores saw a 3.8% increase, while beer, wine, and liquor store sales rose by 1.3%. In the food service sector, sales in December 2022 surpassed those in December 2019, reaching approximately \$928 million, propelled by food price inflation. Despite a seasonal decline in drinking place sales by 7.7% in Q4-2022, total food service and drinking place sales witnessed a 16.4% increase between Q4-2021 and Q4-2022, with special food services restaurants, drinking places (alcoholic beverages), and full-service restaurants recording significant sales growth rates of 36.4%, 26.2%, and 23.9%, respectively.²⁴

²⁰ Retail Council of Canada

²¹ NAI Commercial Real Estate Inc. – Market Report

²² Government of Alberta – Retail Trade

²³ Government of Alberta – Alberta Retail Trade Industry Profile

²⁴ Government of Alberta – Retail and Foodservice Sales Slowly Returning to Pre-Pandemic Normal

8.5.3 PEACE RIVER ADVANTAGE

The Town of Peace River has:25

- 15 restaurants
- 8 fast food locations
- 10 retail stores
- 7 grocery stores
- 10 hotels

A map of Hotels & Lodging in Peace River is provided below (Figure 25). Additional maps for other retail spaces in Peace River can be found in Appendix A – Retail Maps.

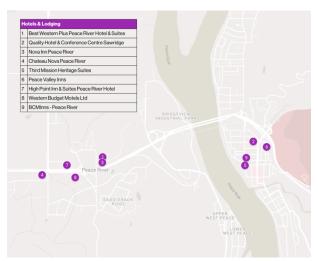


Figure 25: Map of Hotels and Lodging in Peace River (Ballad Group Calculations, Google Maps)

The local Peace River economy boasts:

- Several resource companies that rely on facilities in the town to operate in the region.
- A large median household income.
- Low unemployment.
- A well-educated population.

While there seems to be a sufficient number of hotels in the Town, a hotel study would have to be completed with vacancy rates to see if there is demand for more. The focus on growth can be on restaurants, fast food locations, retail stores and grocery. The town serves as a commercial hub for surrounding rural communities and is well positioned along major transportation routes facilitating easy access for both suppliers and consumers, making it an attractive location for retail expansion.

Overall, Peace River's location, economy, and demographics collectively provide a favourable environment for food, retail, and grocery businesses to thrive and serve the needs of its residents and surrounding communities.

²⁵ Appendix A – Retail Maps

8.5.4 INSIGHTS

There are several insights regarding the strategic expansion of retail chains, particularly in rural areas like Peace River.

- Market Potential: Peace River serves as a commercial hub for surrounding rural communities, indicating a potentially under-tapped market for various retail sectors such as restaurants, retail stores, and grocery stores. This suggests an opportunity for expansion and growth in these sectors to meet the demand of both residents and visitors.
- **Strategic Location**: Being positioned along major transportation routes is advantageous for retail expansion as it facilitates easy access for suppliers and consumers. This ensures a steady flow of goods and services to and from the town, enhancing the viability of retail operations.
- **Economic Stability**: The presence of several resource companies in the region signifies economic stability and indicates a consistent consumer base with purchasing power. Moreover, the town's large median household income and low unemployment rate further suggest a favourable economic environment for retail businesses to thrive.
- Community Integration: Retail chains that integrate into the local community by offering employment opportunities and supporting local initiatives can foster goodwill and loyalty among residents. This community-centric approach not only enhances the brand image but also strengthens the bond between the retailer and the community, leading to long-term success.
- Adaptation to Local Needs: Assessing the feasibility of adapting offerings to cater to the unique preferences and needs of
 rural consumers, such as providing locally sourced products, can be a key factor in the success of retail expansion in Peace
 River. This demonstrates a commitment to meeting the specific demands of the local market and enhances the relevance
 of the retail offerings to the community.

8.6 OPPORTUNITY #4: HUNTING OUTFITTING

There is an opportunity to establish a hunting outfitting business in Peace River. The region's abundant wildlife, including waterfowl, and small and big game presents an ideal setting for hunting outfitters seeking to provide clients with memorable experiences amidst scenic natural landscapes. With its diverse terrain, encompassing parkland habitats, forests, and waterways, the region offers prime hunting grounds. By capitalizing on this opportunity, Peace River can not only attract hunting outfitters but also stimulate economic growth through tourism and hospitality services.

8.6.1 BACKGROUND

Hunting outfitters play a pivotal role in organizing and facilitating hunting expeditions, offering comprehensive services to ensure a seamless and memorable experience for their clients. These companies take care of all aspects of the hunting excursion, including equipment provision, accommodation arrangements, licensing procedures, and meat processing. Some outfitters operate dedicated lodges, while others set up tent camps in remote wilderness areas. They employ experienced guides to assist or lead hunting trips, ensuring the safety and success of each excursion. The primary hunting season typically spans from September to November, with some outfitters offering spring hunting opportunities from April to June.

To effectively operate their businesses, hunting outfitters require various operational resources and amenities. These include reliable transportation to remote hunting sites, suitable lodging accommodations for arriving guests, and access to a meat processing facility for handling harvested game. Additionally, outfitters rely on the expertise of local guides who possess knowledge of the terrain and wildlife patterns. Access to a local airport is essential for outfitters catering to chartered clients, facilitating convenient travel arrangements.

In terms of market and financial considerations, hunting outfitters typically engage in targeted marketing efforts, often participating in international hunting shows to showcase their offerings and attract clients. Despite primarily serving an international clientele, hunting outfitters generally incur small start-up costs, as they do not require significant capital expenditures for infrastructure or equipment. This favourable financial landscape, combined with Peace River's reputation as a premier hunting destination, positions the region as an attractive location for aspiring hunting outfitters and investors alike.

8.6.2 MARKET ASSESSMENT

In addition to the substantial economic contribution of hunting to Alberta's GDP, estimated at \$327 million annually by the Alberta Professional Outfitters Society (APOS), Peace River stands poised to capitalize on this lucrative market.²⁶ This figure encompasses expenditures on accommodations, dining, transportation, and various goods and services.

With approximately 500 professional outfitters and 1,600 hunting guides operating throughout the province, the region offers a wealth of expertise and resources for those seeking to establish or expand hunting outfitting businesses.²⁷ Furthermore, Peace River's strategic location within Alberta positions it as a prime destination for hunters from both within the province and beyond, providing ample opportunities for growth and profitability in the outfitting industry.

²⁶ Alberta Professional Outfitters Society

²⁷ Alberta Professional Outfitters Society

Beyond its direct economic impact, the hunting outfitting industry also generates ripple effects across multiple sectors. For instance, research by the Conference Board of Canada reveals that each dollar spent on hunting and fishing excursions in Canada yields an additional \$1.50 in economic activity. ²⁸ This multiplier effect underscores the broader significance of the outfitting sector within the economy.

Additionally, Alberta's diverse array of wildlife and expansive natural landscapes attract a significant number of domestic and international hunters. The province's reputation for exceptional big game hunting opportunities, including elk, moose, deer, and bear, draws in a substantial contingent of hunting enthusiasts, thereby further amplifying the economic ramifications of the outfitting industry.

8.6.3 PEACE RIVER ADVANTAGE

Northwest Alberta's Peace Country is renowned as possibly the premier destination for migratory bird hunting across the continent. During September and October, this region becomes a gathering point for thousands of local and migrating waterfowl. The Peace Country features vast expanses of parkland habitat bordered by forests of poplar and mixed coniferous trees. Flowing through this area is the Peace River, while numerous sizable lakes and wetlands offer additional staging areas for migrating waterfowl.

In addition to the abundant waterfowl populations, the Peace River region offers exciting opportunities for hunters pursuing big game species such as moose, mule deer, whitetail deer, and black bears, providing opportunities for hunters seeking larger game. With its rich diversity of game species and expansive wilderness areas, Peace River can position itself as a premier destination for hunters in pursuit of a variety of game species.

Besides its reputation as a favoured hunting spot, Peace River offers numerous benefits that appeal to prospective hunting outfitters. Local businesses can provide essential services such as equipment rentals, guided tours, transportation services to sites, a various range of accommodations, meat processing and chartered private flights to the airport. Additionally, the region's abundance of hunting activities and outdoor recreation makes the Town an ideal location for hunting outfitting businesses to be headquartered. Moreover, the Town's ability to provide supportive tourism marketing for the industry creates a welcoming environment for hunting businesses and outdoor enthusiasts.

8.6.4 INSIGHTS

These key insights underscore the feasibility and potential success of the hunting outfitting opportunity in Peace River, positioning the town and region as a premier destination for hunting outfitters.

- **Abundant Wildlife and Scenic Landscapes:** Peace River boasts diverse habitats and breathtaking natural landscapes, making it a prime destination for hunting enthusiasts seeking memorable experiences amidst abundant wildlife.
- Strategic Location and Accessibility: Positioned within northern Alberta, Peace River offers convenient access to major
 urban centers and well-maintained transportation networks, enhancing its appeal as a hunting outfitting destination for
 both local and international visitors.
- Collaboration with Indigenous partners: Through working and partnering with nearby Indigenous communities, it can be
 ensured that there is respect for traditional hunting and sustainable management of wildlife populations. Furthermore,
 these partnerships can lead to hunting-related opportunities that involve Indigenous partners.

²⁸ The Conference Board of Canada – Angling, Hunting, Trapping, and Sport Shooting: Leaving a Large Economic Footprint

- Supportive Community and Cultural Heritage: With a strong tradition of hunting and outdoor recreation, Peace River's local community embraces and accommodates the needs of hunters, fostering a welcoming environment for outdoor enthusiasts.
- **Airport Accessibility:** Peace River benefits from having an airport capable of accommodating chartered flights, enhancing accessibility for hunters and outdoor enthusiasts seeking expeditions to the region.
- **Diverse Accommodation Options:** The abundance of accommodation options in Peace River ensures comfortable accommodations for hunters and outdoor enthusiasts.
- Central Hub for Hunting Activities: Peace River's central role in hunting activities and outdoor recreation makes it an ideal
 location for hunting outfitting businesses, offering convenient access to essential services and wilderness areas for hunting
 adventures.

9 MARKETING FRAMEWORK

Marketing to industries for a municipality entails distinct principles compared to the conventional strategies employed by companies selling products and services. This section provides the overarching marketing principles essential for attracting the four pertinent industries recommended in this report. It delves into the audience, products, and promotion components that the Town should prioritize to effectively realize its goal of long-term industry attraction.

9.1 AUDIENCE

The Town's foremost priority in industry attraction lies in engaging land developers, commercial realtors, and site selectors. These key stakeholders serve as the primary conduits for industries seeking suitable locations for establishing new facilities or acquiring existing ones. They present diverse site options to companies, managing all necessary site-related aspects, and scouting locations across various municipalities within the region.

Detailed coverage of these crucial aspects is reviewed in Section 6, Commercial and Industrial Development, and the corresponding actions are in Section 11, Recommendations. While this core audience remains the primary focus, it's also important for the Town to acknowledge and consider these additional stakeholders within each respective industry:

- Lithium Mining Servicing
 - o Lithium refining companies.
- Vertical Farming
 - Industry Associations.
- Food and Retail Locations
 - National franchise real estate managers based in franchise head offices.
- Hunting Outfitting
 - Industry Associations

9.2 PRODUCTS

By its nature, a municipality doesn't have direct or tangible products to market. What a municipality does market is its capacity and buildability, which supports industry expansion.

Capacity refers to the benefits of a municipality's location that make it attractive to industry. These encompass:

- Labour supply.
- Accessibility to supply chain.
- Direct and surrounding consumer markets.
- Geographical advantages (i.e., well-known hunting grounds).
- Transportation.
- Economic and demographic strengths.
- Economic and demographic weaknesses that should be addressed.

These factors are thoroughly reviewed throughout the report and are key measures of why the recommended industries are strong opportunities.

Buildability, on the other hand, is how easily a company can build a facility in a municipality. This encompasses:

- Available commercial/industrial land.
- Available or near-term availability of servicing for land.
- Favourable environment for land development (i.e., efficient land development processes, costs, and zoning).

These factors have been assessed in the report and required improvements are provided in Section 11.2, Commercial and Industrial Development.

9.3 PROMOTION

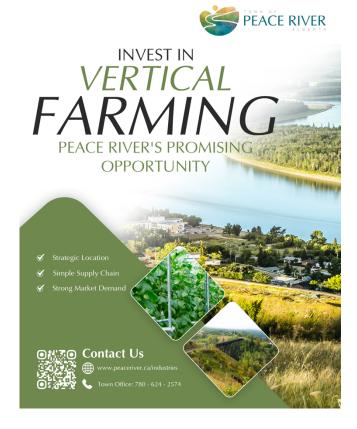
Municipal marketing to industry is aimed at promoting capacity and buildability to relevant development and industry stakeholders. The suggested marketing activities and initiatives are detailed in Section 11, Recommendations.

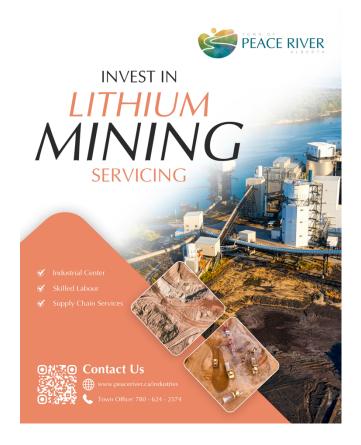
Additionally, some marketing efforts may include promoting directly to businesses or industries such as by sharing information during meetings, conferences, etc. It should be noted that this method of engagement should not be the primary focus of the municipality's efforts but as a secondary way of marketing Peace River. This approach may also be relevant for sharing with commercial realtors and developers.

To support direct promotion efforts, one-page promotional brochures have been crafted for each industry, accompanied by a website mock-up page serving as a blueprint for the Town's upcoming webpage redesign.

Each one-page brochure features a front page introducing the targeted industry, while the back page provides valuable insights into market dynamics, industry opportunities, and strategic location benefits. The complete brochures can be found in the appendix, while their front pages are outlined below:



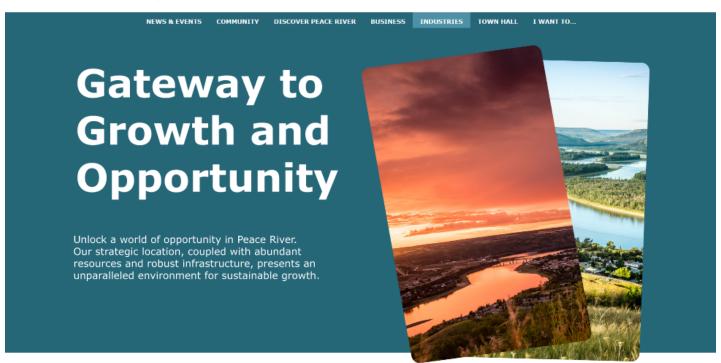






The website mock-up page will be provided in a wireframe and PDF format, as well as in Appendix H – Website Mock-up Pages. The main page design is shown below:





10 CONSOLIDATED INSIGHTS

10.1 ENGAGEMENT INSIGHTS

The following insights were derived from discussions with key stakeholders of Peace River found in Engagement Insights:

- Understanding the geographical constraints and legislative hurdles is crucial for planning and development, emphasizing the need for flexible approaches and strategic reforms.
- Prioritizing development strategies such as re-evaluating levies and streamlining operations can optimize resource allocation and foster inclusive growth.
- The emphasis on emotional appeal and digital presence underscores the importance of effective marketing in attracting investment and enhancing the Town's image.
- Recognizing community aspirations and addressing challenges collaboratively are essential for fostering a shared vision and driving sustainable development.
- Identifying underutilized resources and opportunities for infrastructure refurbishment can enhance tourism and economic growth, aligning with long-term development goals.
- Leveraging Peace River's strengths and marketing its unique features can attract investment and stimulate economic activity, contributing to the town's prosperity.
- Understanding the scope of economic opportunities and prioritizing industries with the greatest potential impact can guide strategic decision-making and resource allocation.

10.2 DEMOGRAPHIC AND ECONOMIC INSIGHTS

The following insights are derived from the Demographic and Economic Scan:

- Overall, while Peace River's transportation infrastructure facilitates connectivity to surrounding areas, there are indications of traffic diversion towards larger cities, particularly Grande Prairie, affecting the town's traffic volume.
- There is a diversion of traffic towards Grande Prairie, indicated by the substantial decrease in tractor-trailer volume on Highway 49 towards Peace River.
- The future operational direction of the airport is not clear.
- The competitiveness or functionality of the airport, as an airport in Northern Alberta, is not known.
- The CN railway connects Peace River to Edmonton and the national rail system, providing efficient transportation of goods.
- Peace River's CN line extends northward to Hay River in the Northwest Territories, offering the most northern route in Canada with high freight capacity.
- The town's high-capacity rail line offers industries significant opportunities for rail distribution, streamlining supply chain logistics.
- Population decline directly impacts the available labour supply, posing challenges for industries seeking skilled workers.
- Industry growth is essential to stimulate economic development and revitalize the town's workforce.
- With a significant percentage of educated residents, Peace River possesses a skilled and knowledgeable workforce, which can potentially offset the decline in skilled labour resulting from a declining population.
- With a high level of educational attainment among its residents, Peace River provides a solid foundation for industries requiring specialized expertise and advanced skills.
- Established post-secondary institutions in Peace River offer opportunities for partnerships with industries.
- Collaboration between these institutions and industries can facilitate training programs tailored to industry needs.

- Proactive engagement in employment initiatives, such as the Rural Renewal Program, serves as a proactive approach to boosting the labour supply.
- Participation in such programs enhances the attractiveness of Peace River to incoming industries.
- Declining housing market trends in Peace River indicate a broader symptom of depopulation, observed since 2013.
- The expected decline in population and labour force may lead to a reduction in economic output by the last quarter of 2023.
- The observed trend underscores the need for strategic interventions to address depopulation and its impact on the local economy.

10.3 COMPARATOR MUNICIPALITY INSIGHTS

The following insights are derived from the Strategic Municipality Comparison:

Population and Growth:

 While Whitecourt boasts the largest population among the comparison group, Peace River has encountered the third most significant population decrease from 2012 to 2022 (-7.1%), following Edson (-9.2%) and Drayton Valley (-9.5%).

• Economic Indicators:

- Peace River and Whitecourt both report a median household income of \$100,000, which stands as the highest among the comparator municipalities.
- Peace River has the lowest unemployment rate at 7.9%, while Whitecourt has the highest unemployment rate at 14.2%, indicating a potential strength in Peace River's labour market dynamics.

Housing Market:

- o Average housing prices are relatively consistent across Peace River, Whitecourt, and Edson.
- Despite similar housing prices, Peace River has a lower homeownership rate compared to Whitecourt (59% vs. 68%).

Labour Force and Industry:

- Retail is the largest industry by labour force in Peace River, Stettler, Edson, and Drayton Valley, suggesting a common economic focus.
- Despite having a smaller total labour force compared to some other municipalities, Peace River demonstrates a
 higher employment rate, suggesting a relatively healthy job market with a significant portion of its workforce
 actively employed.
- While Whitecourt has a larger total labour force and higher participation rate, Peace River's higher employment rate suggests that a larger percentage of its available workforce is gainfully employed, which may indicate better job opportunities or economic conditions in Peace River.

• Distance to Major Urban Centre:

Peace River is relatively distant from major urban centers compared to other municipalities, with a distance of
 193 km, which could influence accessibility and economic connectivity.

Building Permits and Business Activity:

- Drayton Valley stands out with the highest building permit value (\$230.9 million), indicating significant construction and development activity compared to other municipalities. Peace River, however, has the secondhighest building permit value (\$172.2 million) which reflects a very good development volume.
- Whitecourt has the highest number of businesses (722), potentially reflecting a more diverse business
 landscape compared to Peace River.

10.4 COMMERCIAL AND INDUSTRIAL DEVELOPMENT INSIGHTS

The following insights are derived from the Commercial and Industrial Development section:

- While the Town has available land for its current municipal needs, however, there is no excess land that can be spared for additional commercial/industrial land development.
- There are some listings on the residential web platform, but because it is not mandatory, several available listings may be missing from what is available.
- Northern Sunrise County has been actively putting resources into marketing their business park which will be a strong competitor to the Town's commercial development efforts.
- Any development would require an incentive for developers to take on or offset the large expense of earth removal.
- The upcoming servicing maps will be a good resource for developers.
- The ASPs need to be updated to assist with long-term planning and development.
- The upcoming MDP is a priority for the Town, but there are no plans for future annexation.
- The land development process is not formalized and does not have any time commitments to the completion of its steps.
- Off-site levies have not been examined to see if they are competitive.
- There aren't any municipal grants focused on providing incentives for land development growth.
- The commercial mill rate is significantly higher than other municipalities in the region.

10.5 LITHIUM MINING SERVICING INSIGHTS

The following insights are derived from Opportunity #1: Lithium Mining Servicing:

- Utilizing the Town's skilled labour force for various tasks related to lithium extraction operations.
- Leveraging existing accommodations infrastructure to house workers involved in the NeoLithica project.
- Accessing a range of equipment and service supply options, including repair services, trucking, heater tanks, hydro-vac, and more.
- Securing feedstock supply such as pipe and site supplies through established channels and networks.
- Position the region and Town strategically to service the increasing demand for lithium refining services.
- Foster economic growth and diversification by capitalizing on the region's lithium-rich landscape.
- Create employment opportunities and stimulate local economic development as volumes of lithium extraction operations grow.

10.6 VERTICAL FARMING INSIGHTS

The following insights are derived from Opportunity #2: Vertical Farming:

- Vertical farming in Peace River maximizes the use of current commercial areas, avoiding costly renovations and expediting
 facility setup. This approach reduces initial investment requirements, facilitating quicker market entry and revenue
 generation.
- Peace River's vertical farming operations demand fewer workers compared to traditional agriculture methods, leading to reduced labour costs and improved operational efficiency. The ability to manage a smaller workforce enhances flexibility and agility in operations.

- Vertical farming ventures can benefit from simplified processes and streamlined management practices in Peace River.
 The straightforward nature of these systems makes them accessible to entrepreneurs of varying expertise levels, lowering entry barriers into the industry.
- Peace River's potential vertical farming ventures can thrive with smaller market sizes, unlike traditional farming methods
 reliant on vast land expanses. This scalability aspect enables profitability in smaller communities, fostering opportunities
 for local entrepreneurship.
- Despite being situated in the north, Peace River's potential vertical farming initiatives can remain unaffected by geographical obstacles. Efficient supply chains and distribution networks ensure seamless delivery of fresh produce to local vendors and neighbouring regions, ensuring consistent market access and revenue streams.
- Potential vertical farming in Peace River can enhance access to fresh, locally grown produce for residents and businesses. By supplying fresh greens directly to consumers and vendors, these initiatives promote food security and bolster the local economy, fostering community engagement and strengthening grower-consumer relationships.

10.7 FOOD AND RETAIL ESTABLISHMENTS INSIGHTS

The following insights are derived from Opportunity #3: Food and Retail Locations:

- Peace River serves as a commercial hub for surrounding rural communities, indicating a potentially untapped market for various retail sectors such as restaurants, retail stores, and grocery stores. This suggests an opportunity for expansion and growth in these sectors to meet the demand of both residents and visitors.
- Being positioned along major transportation routes is advantageous for retail expansion as it facilitates easy access for suppliers and consumers. This ensures a steady flow of goods and services to and from the town, enhancing the viability of retail operations.
- The presence of several resource companies in the region signifies economic stability and a consistent consumer base with purchasing power. Moreover, the town's large median household income and low unemployment rate further suggest a favourable economic environment for retail businesses to thrive.
- Retail chains that integrate into the local community by offering employment opportunities and supporting local initiatives
 can foster goodwill and loyalty among residents. This community-centric approach not only enhances the brand image but
 also strengthens the bond between the retailer and the community, leading to long-term success.
- Assessing the feasibility of adapting offerings to cater to the unique preferences and needs of rural consumers, such as
 providing locally sourced products, can be a key factor in the success of retail expansion in Peace River. This demonstrates
 a commitment to meeting the specific demands of the local market and enhances the relevance of the retail offerings to
 the community.

10.8 HUNTING OUTFITTING INSIGHTS

The following insights are derived from Opportunity #4: Hunting Outfitting:

- Peace River boasts diverse habitats and breathtaking natural landscapes, making it a prime destination for hunting enthusiasts seeking memorable experiences amidst abundant wildlife.
- Positioned within northern Alberta, Peace River offers convenient access to major urban centers and well-maintained transportation networks, enhancing its appeal as a hunting outfitting destination for both local and international visitors.
- With a strong tradition of hunting and outdoor recreation, Peace River's local community embraces and accommodates the needs of hunters, fostering a welcoming environment for outdoor enthusiasts.

- Peace River benefits from having an airport capable of accommodating chartered flights, enhancing accessibility for hunters and outdoor enthusiasts seeking expeditions to the region.
- The abundance of accommodation options in Peace River ensures comfortable accommodations for hunters and outdoor enthusiasts.
- The region's potential for hunting activities and outdoor recreation makes the Town an ideal location for hunting outfitting businesses, offering convenient access to essential services and nearby wilderness areas for hunting adventures.

11 RECOMMENDATIONS

11.1 DEMOGRAPHICS AND ECONOMICS RECOMMENDATIONS

	Demographic and Economic Recommendations		
Objective	To provide the Town with pertinent demographic and economic suggestions that are within the capacity of administration, aimed at enhancing the economic vitality of the community.		
Long-Term Action – Airport (1-3 years)	 The following recommendations could be beneficial to the current airport owners to better understand the capacity of the airport and determine what supports the Town may be able to assist with: Conduct a study to assess the function and traffic volumes at Dawson Creek and High Prairie airports to determine the competition level. Evaluate Grande Prairie's airport volumes to understand if they sufficiently cover flights to the north to assess whether the Town can get market share from these volumes. Interview key northern airlines and the Royal Canadian Air Force to understand the region's air transportation needs and potential demand for additional capacity. Use insights gathered from interviews and studies to determine if further investment in Peace River's airport infrastructure is warranted or viable. 		
Long-Term Action – Local Education Institutions (1-5 years)	 Leverage the existing educational infrastructure for partnerships with industry to create programs that will complement industries and support workforce development. 		

11.2 COMMERCIAL AND INDUSTRIAL DEVELOPMENT

Available Commercial Land Recommendations		
Objective	To maximize the utilization of all available resources to enhance the visibility and promotion of existing land assets, ensuring competitiveness while strategically acquiring additional land for municipal expansion.	
Long-Term Action (2-10 years)	To gain more land for commercial expansion, the Town should plan for sufficient annexation.	
Short-Term Action (0-6 months)	 Create a land map that shows both developed and non-developed (raw land) available land that is both for sale and not for sale, as a complete land inventory. Put it on the website as a resource for realtors, developers, and industry. If possible, it should also include existing commercial facilities that are for sale. It should be updated at least quarterly and will require listing information from local realtors. 	
Long-Term Action (0-10 years)	 Keep updated information on the progress and status of the business park in Northern Sunrise County. 	
Long-Term Action (1-3 years)	 Create a development grant to offset the cost to developers of removing earth from undulated land that can be developed. 	

Land Planning Recommendations			
Objective	To optimize the land development process, refine policies, and enhance servicing, all aimed at		
Objective	bolstering the Town's appeal as a prime destination for new developments.		
Short-Term Action	Ensure that servicing maps show servicing to property line of all available land to provide up		
(0-6 months)	to date insights to developers.		
Long-Term Action	Update ASPs to have long-term for planning and transparency.		
(1-3 years)			
Long-Term Action	Update MDP and ensure that plans or negotiations for annexation are a key component of it.		
(2-5 years)	This will ensure that there will be a long-term inventory of commercial land available for the		
	future.		
Short-Term Action	Formalize the land development process and create deadlines for each step that		
(0-6 months)	administration can commit to, all of which will serve as guidelines to developers. Post the		
	process and deadlines on the Town's website for transparency.		

Development and Taxation Costs Recommendations		
Objective	To reduce the costs of development and cost to business for operating in the Town.	
Short-Term Action (0-3 months)	 Compare off-site levies of competing municipalities to see how competitive the Town is. This will assist in determining if the levies need to be reduced, frozen or possibly increased if they are too low. 	
Long-term Action (1-3 years)	 Create municipal grants that are focused on new land development and can offset development costs such as of-site levies, brownfield remediation, environmental costs, or any other large up- front costs developers incur. Grants can be pulled from a pool or be structured as reduced property taxes over a given time. 	
Short-Term Action (0-6 months)	 Reduce or freeze the commercial mill rate for an extended period. At least 3-5 years is recommended to provide spending confidence to existing small businesses, developers, and incoming industry. 	
Stakeholder Engagement Action (0-6 months)	 Talk to regional land developers to understand what challenges they have in the Town. If there are not many available, talk to developers in Grande Prairie to see what would motivate them to develop in the Town. 	

Marketing Recommendations			
Objective	To provide important information resources to relevant stakeholders regarding commercial and		
Objective	industrial land development.		
	Create a page on the website specifically dedicated to providing key information to commercial		
	realtors, developers, and industry. As previously stated, it should include:		
	 A land map with an inventory of both developed and non-developed land and existing 		
Short-Term Action	commercial listings.		
(0-12 months)	 A servicing map. 		
	 Current ASPs and the MDP. 		
	 The formalized development process. 		
	 All municipal grants dedicated to business and land development. 		
	 The commercial mill rate. 		

11.3 INDUSTRY OPPORTUNITY RECOMMENDATIONS

Lithium Mining Servicing Recommendations		
Objective	To enhance the growth of the lithium industry in the Town by implementing impactful marketing and fostering active engagement with industry stakeholders.	
Stakeholder	Talk to local companies that service oil wells and see how they can work with NeoLithica on	
Engagement Action	their upcoming projects. This can also serve as a vendor inventory for NeoLithica.	
(3 months - ongoing)		
Stakeholder	Maintain open communication with NeoLithica to know the status of their project	
Engagement Action	development and understand what their ongoing needs will be.	
(3 months - ongoing)		
Stakeholder	Connect to lithium refineries that currently process lithium for companies like E3 Lithium and	
Engagement Action	inquire as to whether they may be looking to open a facility in Alberta.	
(6 months - ongoing)		
Marketing Action	Post the industry profile on the web site in the "Future Industries" section.	
(0 -2 months)		

Vertical Farming Recommendations			
Objective	To enhance the growth of the vertical farms industry in the Town by implementing impactful marketing and fostering active engagement with industry stakeholders.		
a. 1 1 11			
Stakeholder	Connect with Vertical Roots Canada in St. Paul to see if they are looking to expand into other		
Engagement Action	smaller municipalities in Alberta.		
(0 – 2 months)			
Marketing Action	Post the industry profile on the web site in the "Future Industries" section.		
(0 -6 months)	On the industry profile, promote the Town's existing Business Revitalization Grant that can be		
	applied to existing industrial buildings.		

Food and Retail Locations Recommendations		
Objective	To enhance the growth of the food and retail industry in the Town by implementing impactful marketing	
Objective	and fostering active engagement with industry stakeholders.	
Short-Term Action	Create a retail map that show where all the restaurants, grocery, retail stores and hotels are	
(0-6 months)	in the Town. (Refer to Appendix A – Retail Maps)	
Short-Term Action	Attend national retail events that host the retail industry in Western Canada to showcase the	
(0-12 months)	Town and retail opportunities. An example of this would be the annual ICSC show in Whistler	
	that hosts all the key developers and retail chains that are looking for new locations.	
Stakeholder	Reach out to the large retail chain national real estate managers, as they are the stakeholders	
Engagement Action	that search new locations, and send them a retail package showcasing the retail opportunities	
(3 months - ongoing)	of the Town.	
Stakeholder	Find and connect with local or regional developers that build for national chains and send them	
Engagement Action	a retail package showcasing the retail opportunities of the Town.	
(3 months - ongoing)		
Marketing Action	Post the retail maps and industry profile on the web site in the "Future Industries" section.	
(0 - 6 months)		

Hunting Outfitting Recommendations	
Objective	To enhance the growth of the hunting outfitting industry in the Town by implementing impactful
	marketing and fostering active engagement with industry stakeholders.
Stakeholder	Connect with Alberta Outfitters Society to get a list of all the outfitters in the region, where is
Engagement Action	the best place to advertise and if there any industry events that the Town could participate in.
(3 months – ongoing)	
Stakeholder	Connect with the regional outfitters to understand what their needs are to determine which
Engagement Action	local businesses are complimentary to their services.
(3 months – ongoing)	
Marketing Action	Post the industry profile on the web site in the "Future Industries" section.
(0 - 6 months)	Promote the Town's existing Tourism Enhancement Grant on the industry profile and directly
	to regional outfitters.

12 CONCLUSION

To support Peace River in its path of fostering economic growth and investment attraction, four opportunities have been identified as having the potential to support these efforts. These prospects not only benefit the community but also hold external value, making them attractive for external investment and collaboration.

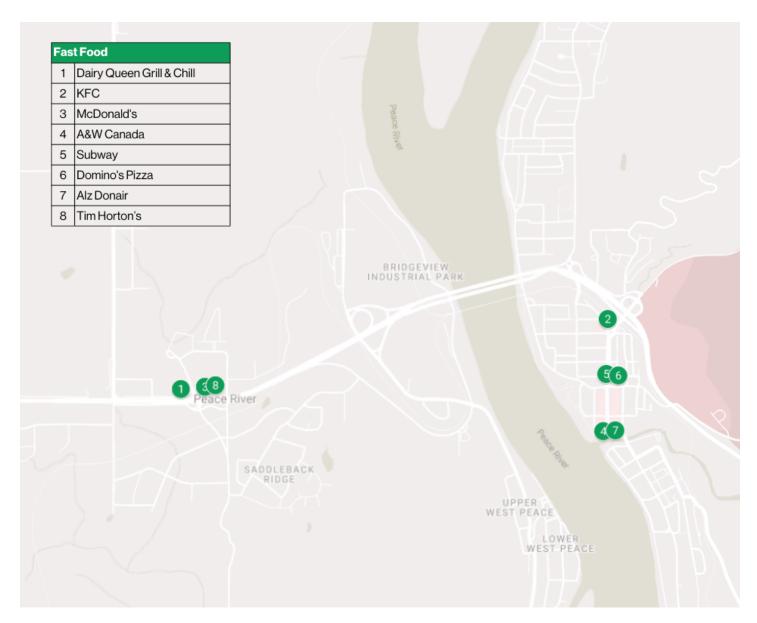
The Investment Attraction Strategy for Peace River, with its set of recommendations and targeted industry opportunities, aligns with the Town's ambitions. By leveraging these identified prospects, Peace River can effectively promote itself as a prime destination for investors seeking promising ventures. Whether it is the lithium mining sector, the vertical farming industry, the expanding retail landscape, or the hunting outfitting market, the Town has a diverse array of opportunities to pursue.

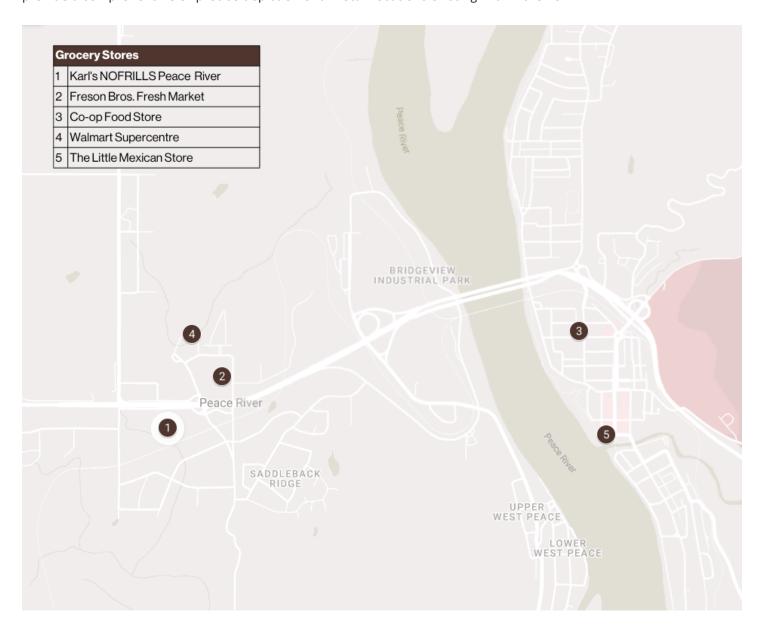
By leveraging its unique advantages and addressing key challenges, Peace River is poised to realize its full potential as a dynamic hub of growth and vitality on the northern Alberta landscape. As the Town moves forward, it is essential to translate these recommendations into actionable next steps. This includes implementing initiatives to capitalize on identified opportunities as well as continuing to refine land planning, development costs, and targeted marketing efforts. These areas will be crucial in attracting investment and facilitating business growth. Through these strategic initiatives, the Town is primed to attract investment, foster innovation, and drive economic growth. By embracing these opportunities and capitalizing on its strengths, Peace River can position itself as a leading player in the regional economy.

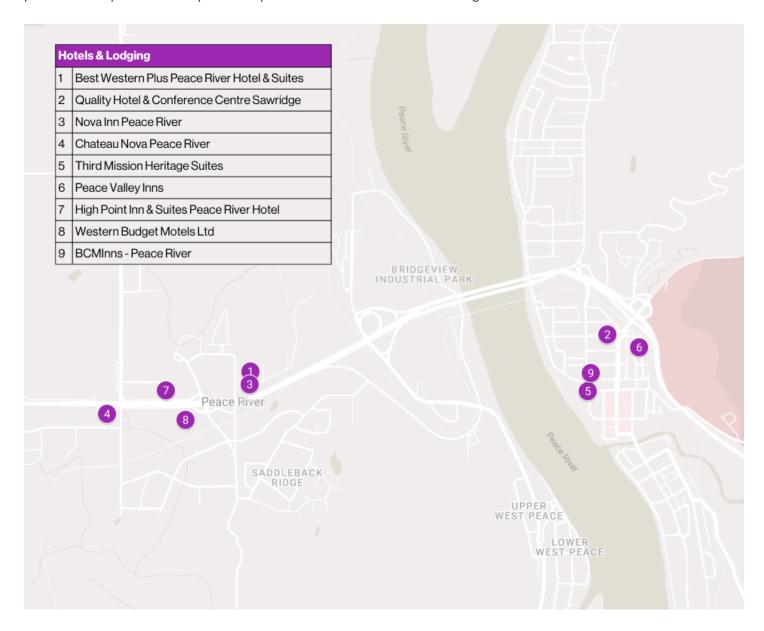
This strategy represents a forward-thinking approach to investment attraction and economic development, one that recognizes Peace River's potential and seeks to capitalize on it through strategic actions. By embracing innovation, collaboration, and foresight, Peace River is poised to showcase opportunity and prosperity, attracting investment, fostering growth, and enriching the lives of its residents for generations to come. With a clear vision and concentrated effort, Peace River is well on its way to realizing its aspirations and establishing itself as a thriving center of commerce and industry in northern Alberta.

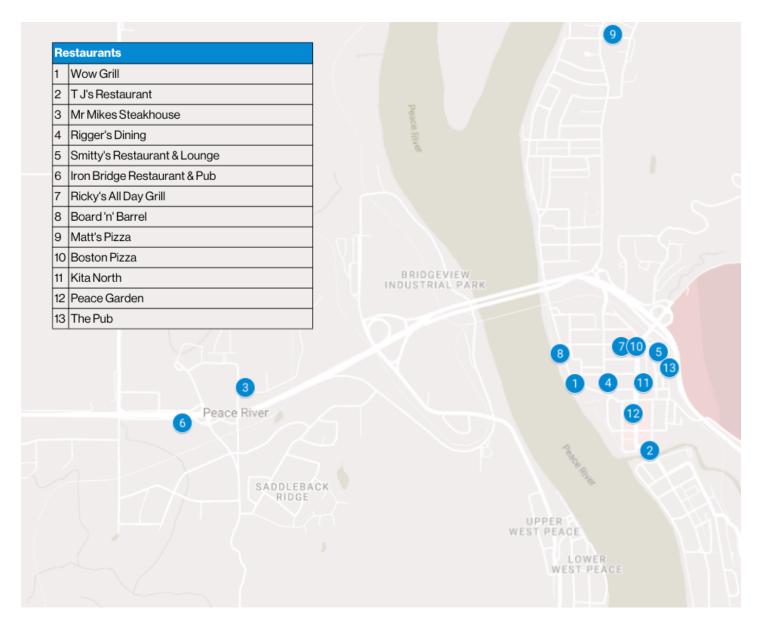
13 APPENDICES

13.1 APPENDIX A – RETAIL MAPS

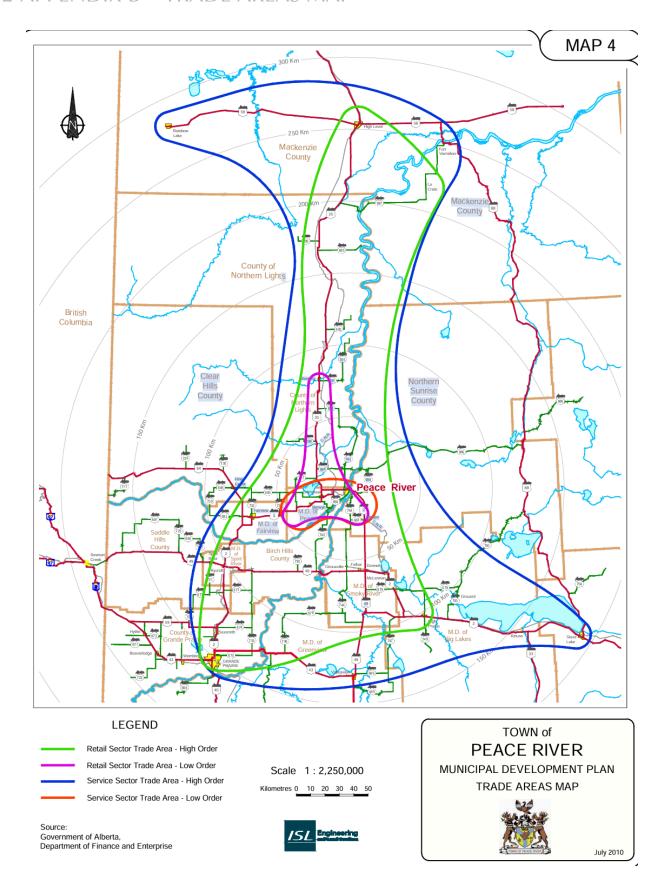








13.2 APPENDIX B – TRADE AREAS MAP



13.3 APPENDIX C – LONGLIST OF OPPORTUNITIES

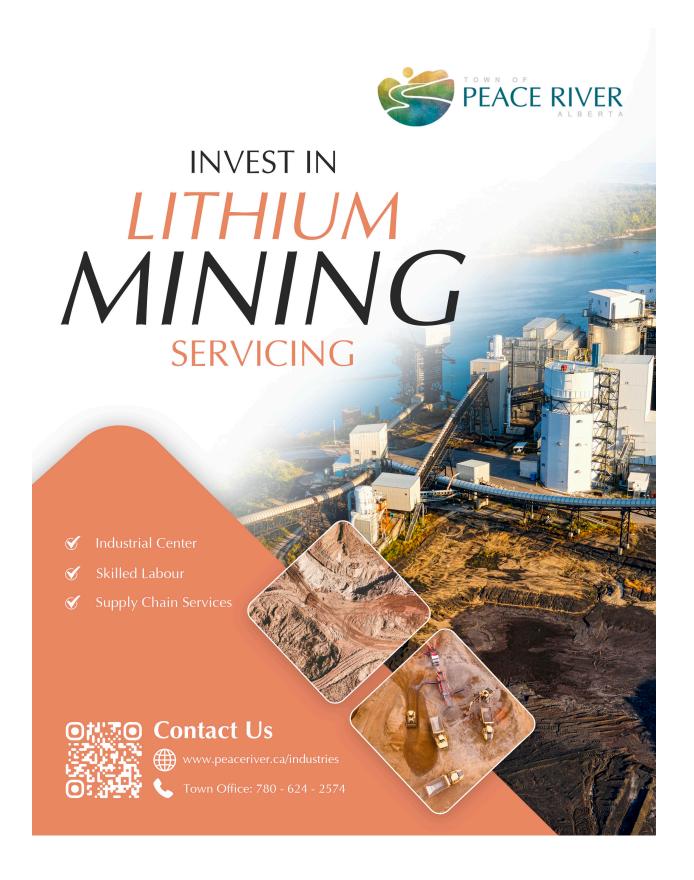
This is the preliminary list that underwent review and discussion with eh Economic Development Committee (EDC) and Project Steering Committee (PSC), serving as a broad compilation of industry opportunities. From this list, four investment prospects were identified, taking into account the Town's capacity and alignment with these industries. The four chosen industries form the Future Industry Opportunities Section of the report.

Peace River Investment Attraction Strategy: Opportunity Shortlisting

In the following table, please individually rank the opportunities from most preferred to least preferred

- A. Tourism: Promote tourism growth in Peace River by implementing initiatives to enhance the town's appeal to visitors.
- B. Housing Development: Expand housing development that meets the needs of the community.
- C. Event Management: Attract/support an Event Management and Promotion Business to organize cultural, sports, and entertainment events, fostering community bonds and attracting tourists.
- D. Agricultural Equipment & Supply: Attract/support an agricultural equipment and supply store to cater to the needs of local and regional farmers and businesses.
- E. Mining & Minerals: Capitalize on potential opportunities adjacent/complimentary to the upcoming Peace River Arch Lithium Project.
- F. Sustainability Manufacturing: Position Peace River as a central hub for waste management and recycling with the introduction of a plastics recycling facility which complements the existing robust waste management system.
- G. Transportation: Position Peace River as a key transportation hub by supporting the revitalization of the airport. Also, consider implementing a small public transit service and/or bus service to make the town more accessible and connected.
- H. Recreational Development: Enhance the ski hill and its surrounding area to elevate Peace River's appeal.
- Film & Entertainment: Promote the town as a location for film and television production that can put Peace River on the map across multiple platforms.
- J. Local Food Industry Development: Attract/support a local food processing facility to turn raw agricultural products (Animal-based and/or crop-based) into market-ready goods.
- K. Warehousing: Develop a logistics hub or distribution centre that can serve as a central point for the consolidation, storage, and distribution of goods.
- L. Commercial Establishments and Hospitality: Expand and enhance Peace River's retail scene whether that's through a riverside restaurant, enhancing the town's nightlife, expanding retailers such as clothing stores, a pet boarding kennel, etc.
- M. Renewable Energy: Establish wind, water, and/or solar farms as viable sources for sustainable energy production.
- N. Construction and Infrastructure Development: Attract/support a construction and infrastructure development company that reduces dependence on external contractors and retains economic value within the community.
- O. Elderly Care & Services: Expand services and facilities for the elderly, such as additional retirement homes and assisted living centres, healthcare services, and recreational activities.

13.4 APPENDIX D – LITHIUM MINING SERVICING ONE-PAGER



LITHIUM MINING SERVICING IN PEACE RIVER



MARKET ASSESSMENT

The global landscape for lithium is undergoing a shift, driven by the escalating demand for electric vehicles and the shift toward renewable energy sources. In this environment, Canada's lithium market emerges as a focal point of vast growth potential. Projections from McKinsey paint a picture of exponential expansion, with lithium-ion battery production expected to skyrocket to 3,000,000 tonnes annually by the year 2030. Market trends underscore a surge in prices for battery metals, with lithium carbonate commanding a premium due to the increased demand for electric vehicles. Peace River finds itself at the center of opportunity, poised to harness its abundant lithium resources to fuel the demand and capitalize on the expanding market dynamics.



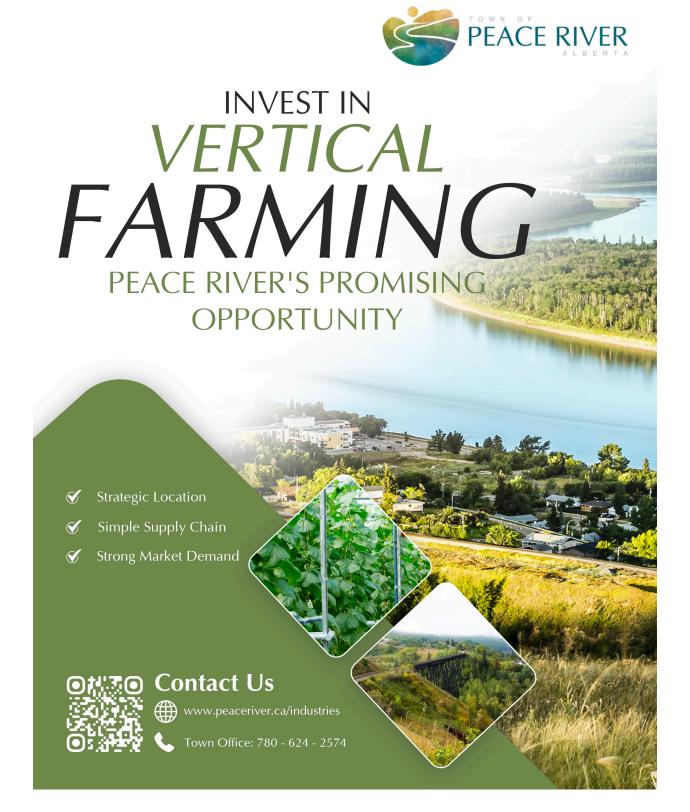
PEACE RIVER ADVANTAGE

Peace River is situated within a lithium-rich region, with a lithium-rich aquifer spanning 640 km³ estimated to contain a volume of 10 million tonnes of lithium carbonate equivalent (LCE). Peace River and its region assume a crucial position in the supply chain, highlighted by its possession of one of Western Canada's largest reserves of lithium-brine resources. Harnessing its geological riches alongside a robust transportation network and thriving business environment, Peace River stands out as a focal point of lithium operations. Furthermore, the region's well-established infrastructure, refined through decades of oil and gas development, serves as a catalyst for the expedited commercialization of lithium mining ventures. In harnessing these advantages, Peace River can cement itself as a key player in the lithium supply chain.



INDUSTRY OPPORTUNITIES

The convergence of upcoming projects with the region's lithium-rich geography signifies a pivotal moment of opportunity. By capitalizing on the existing oil and gas supply chain, mining and service companies can tap into a reservoir of skilled labour, accommodation options, specialized equipment, and ancillary services. Moreover, the absence of provincial lithium refining facilities unveils a niche waiting to be filled, presenting an avenue for industry or investors to build lithium refining facilities in the Town. This dual strategy not only fosters economic expansion and job creation but also strategically positions Peace River in the lithium industry ecosystem.



VERTICAL FARMING IN PEACE RIVER



MARKET ASSESSMENT

In recent years, there has been a noticeable shift towards localized and environmentally friendly farming practices, driven by consumer preferences for fresh, locally sourced produce and concerns about food security. Summer months witness peak vegetable supply and lower prices, but Alberta and Canada still import fresh vegetables throughout the year. This suggests an opportunity for increased domestic production to meet market needs despite seasonal peaks. Vertical farming stands out as a promising solution to meet these evolving demands. With its ability to produce high-quality crops year-round in controlled indoor environments, vertical farming offers significant advantages such as optimized land use, reduced water consumption, and minimized transportation costs.

The vertical farming market in Alberta and Canada is small but growing, with less than 10 operations in Alberta and around 12 nationwide.2 Globally, the vertical farming market is expected to reach USD 23.23 billion by 2029, with significant interest from consumers and retailers.3 In Canada, the market was valued at USD 553.9 million in 2021, with a projected CAGR of 28.1% from 2022 to 2027.4 Despite its early stage, vertical farming shows the potential to transform local agriculture with its focus on technology and sustainability.



PEACE RIVER ADVANTAGE

The conducive environment of Peace River, coupled with its availability of commercial spaces and strategic geographic location, positions it as an ideal location for vertical farming facilities. With a robust municipal servicing infrastructure capable of supporting key operational requirements and a large customer base of surrounding smaller municipalities. Peace River presents a pathway for the distribution of vertical farming products to both local and neighbouring markets. Moreover, the Town's abundant labour pool ensures a steady workforce supply, facilitating the smooth operation and scalability of vertical farming ventures. Overall, Peace River's advantageous attributes are highly complementary to the vertical farming industry, promising not only economic growth but also environmental stewardship and community well-being.



INDUSTRY OPPORTUNITIES

Vertical farming initiatives in Peace River capitalize on existing commercial spaces, requiring minimal labour while offering simplified operational processes. The scalability of such ventures ensures profitability even in smaller markets, fostering local entrepreneurship and resilience against geographical challenges. Furthermore, vertical farming enhances access to fresh, locally grown produce, thereby bolstering food security, promoting community engagement, and invigorating the local economy. Through these economic benefits, the Town provides the industry with a highly favourable investment environment.

- Growtrade Consulting Inc. A Look at Vertical Farming in Canada
 Mordor Intelligence vertical Farming Market Size & Share Analys
 Growtrade Consulting Inc. A Look at Vertical Farming in Canada



INVEST IN PEACE RIVER'S

FOOD & RETAIL

EXPANSION

- ✓ Growing Industries
- Regional Retail Hub
- **ℰ** Diverse Consumer Base



Contact Us



www.peaceriver.ca/industries



Town Office: 780 - 624 - 2574

FOOD & RETAIL EXPANSION IN PEACE RIVER



MARKET ASSESSMENT

In Canada, the retail sector stands as the largest private-sector employer, providing jobs for over 2 million Canadians and generating annually more than \$85 billion in wages and employee benefits. Core retail sales, excluding vehicles and gasoline, surpassed \$462 billion in 2022.⁵ In Alberta, the retail market is rebounding post-pandemic, showing a significant shift towards brick-and-mortar shopping, thereby contributing to the province's economic recovery. Retail trade sales in Alberta saw a notable increase of 28.7% from 2017 to 2023.⁶ As per the latest Statistics Canada's National Economic Accounts, the retail trade sector constituted \$14.1B (4.34%) of Alberta's GDP in 2021, marking a rise from 4.07% in 2011. Over the period from 2012 to 2022, the industry's share of Alberta's employment increased from 11.0% to 11.8%.⁷



PEACE RIVER ADVANTAGE

The Town of Peace River boasts a diverse array of amenities, including restaurants, fast food outlets, retail stores, grocery stores, and hotels. It is a retail hub for a large catchment of neighbouring rural areas. Situated along major transportation routes, Peace River offers convenient access for both suppliers and consumers, enhancing its appeal for retail expansion. Moreover, the local economy benefits from the presence of several resource companies, a high median household income, low unemployment, and a well-educated population. These factors collectively create an advantageous environment for food, retail, and grocery businesses to flourish, meeting the needs of residents and surrounding communities effectively.



INDUSTRY OPPORTUNITIES

Retail chains eyeing expansion opportunities in rural areas like the Town of Peace River can capitalize on several strategic insights. Firstly, Peace River acts as a commercial center for surrounding rural communities, indicating untapped potential across various retail sectors. Strategic positioning along major transportation routes ensures easy access for suppliers and consumers, facilitating smooth operations. Moreover, the Town's economic stability, bolstered by the presence of resource companies and a high median household income, promises a consistent consumer base with purchasing power. Integrating into the local community through employment

- ⁵ Retail Council of Canada
- ⁶ Government of Alberta Retail Trade
- ⁷ Government of Alberta Alberta Retail Trade Industry Profile



Town Office: 780 - 624 - 2574

HUNTING OUTFITTING IN PEACE RIVER



MARKET ASSESSMENT

Hunting isn't merely a pastime in Alberta; it's a thriving industry, injecting a substantial \$327 million annually into Alberta's GDP.8 Within this landscape, Peace River emerges as a regional leader, drawing on its strategic location and rich hunting heritage to attract enthusiasts from far and wide. With an impressive roster of approximately 500 professional outfitters and 1,600 hunting guides spread across the province, Peace River stands as a premier destination for those seeking unparalleled hunting experiences.9 Beyond its direct economic impact, the hunting outfitting industry also generates ripple effects across multiple sectors. For instance, research by the Conference Board of Canada reveals that each dollar spent on hunting and fishing excursions in Canada yields an additional \$1.50 in economic activity.¹⁰ This multiplier effect underscores the broader significance of the outfitting sector within the economy.



PEACE RIVER ADVANTAGE

Peace River's natural brilliance serves as a canvas for unmatched hunting adventures. with its expansive parklands, lush forests, and numerous waterways offering a playground for outdoor enthusiasts. The region's reputation as a centre for migratory bird hunting is legendary, drawing enthusiasts from across the continent during the peak seasons of September and October. Additionally, the presence of coveted big game species such as moose, mule deer, whitetail deer, and black bears adds a thrilling dimension to the hunting landscape, appealing to hunters of varying preferences and skill levels. Peace River's diverse array of accommodations ensures that visitors are treated with comfort and convenience throughout their stay. Furthermore, the Town's central role in hunting activities and outdoor recreation positions it as the hub for hunting outfitting businesses, offering a large supply of essential services.

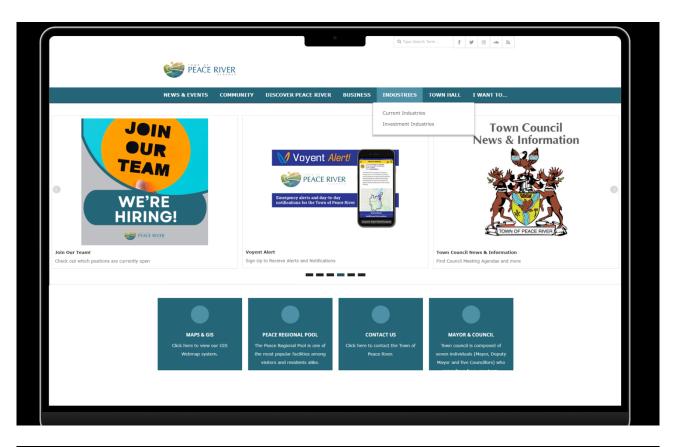


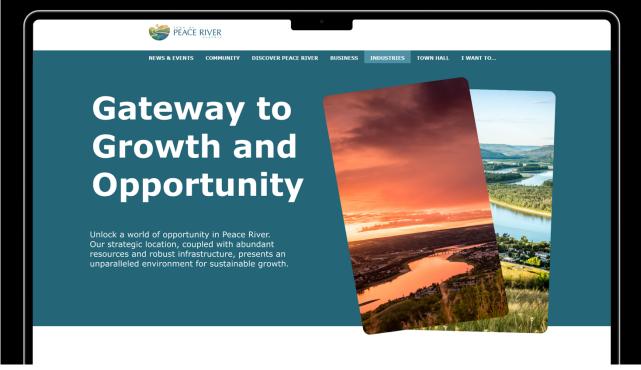
INDUSTRY OPPORTUNITIES

The allure of Peace River for hunting outfitters matches its stunning landscapes and abundant wildlife; it lies in the region's commitment to creating authentic and unforgettable experiences for hunters and outdoor enthusiasts alike. With its strategic location, accessibility, and operational benefits, Peace River provides an excellent base for hunting outfitters and their local and international customers.

- ⁸ Alberta Professional Outfitters Society
- Alberta Professional Outfitters Societ
- ¹⁰ The Conference Board of Canada Angling, Hunting,Trapping, and Sport Shooting: Leaving a Large Economic Footprint

13.8 APPENDIX H – WEBSITE MOCK-UP PAGES





Our Future Investment Industries

Lithium Mining Services

Peace River region holds abundant lithium deposits and is strategically positioned for lithium brine extraction, aligning with the growing demand for electric vehicles and renewable energy.

The global lithium market is projected to experience exponential growth, with significant demand for lithium-ion batteries.

Peace River region boasts one of Western Canada's largest reserves of lithium-brine resources and offers a conducive environment for expedited commercialization.

Opportunities abound for mining and service companies to tap into skilled labor, accommodation options, specialized equipment, and ancillary services, leveraging the existing oil and gas supply chain.

EXPLORE OPPORTUNITY



Vertical Farming

Vertical farming in Peace River presents a sustainable avenue for urban agriculture, optimizing resource efficiency and fostering ecological sustainability.

Global vertical farming market projection



USD 23.23 billion by 2029

Peace River Advantage



Strategic location



Availability of commercial spaces



Growing emphasis on sustainability



Highly profitable industry

EXPLORE OPPORTUNITY

Food & Retail Establishment

Peace River's retail sector offers significant growth opportunities, fueled by economic stability, consumer demand, and strategic positioning.



Peace River boasts a diverse array of amenities, including restaurants, retail stores, and grocery outlets, supported by its robust economic environment.



The town's strategic location along major transportation routes enhances its appeal for retail expansion, ensuring convenient access for both suppliers and consumers.



Retail chains expanding into Peace River can capitalize on strategic benefits, including untapped market potential, economic stability, and community integration.

EXPLORE OPPORTUNITY



Hunting Outfitting

Peace River region offers unparalleled opportunities for outdoor enthusiasts, supported by the region's rich biodiversity and pristine wilderness settings.

The hunting outfitting industry in Alberta injects a substantial \$327 million annually into the provincial GDP.

Peace River's strategic location and well-connected infrastructure is complementary to the well-known hunting industry in the region.

Investment in hunting outfitting ventures in Peace River promotes economic growth, tourism, and infrastructure development, positioning the Town as a hub for outdoor recreation.

EXPLORE OPPORTUNIT