



# AGRICULTURAL SECTOR STUDY

Town of Mayerthorpe

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# AGRICULTURAL SECTOR STUDY

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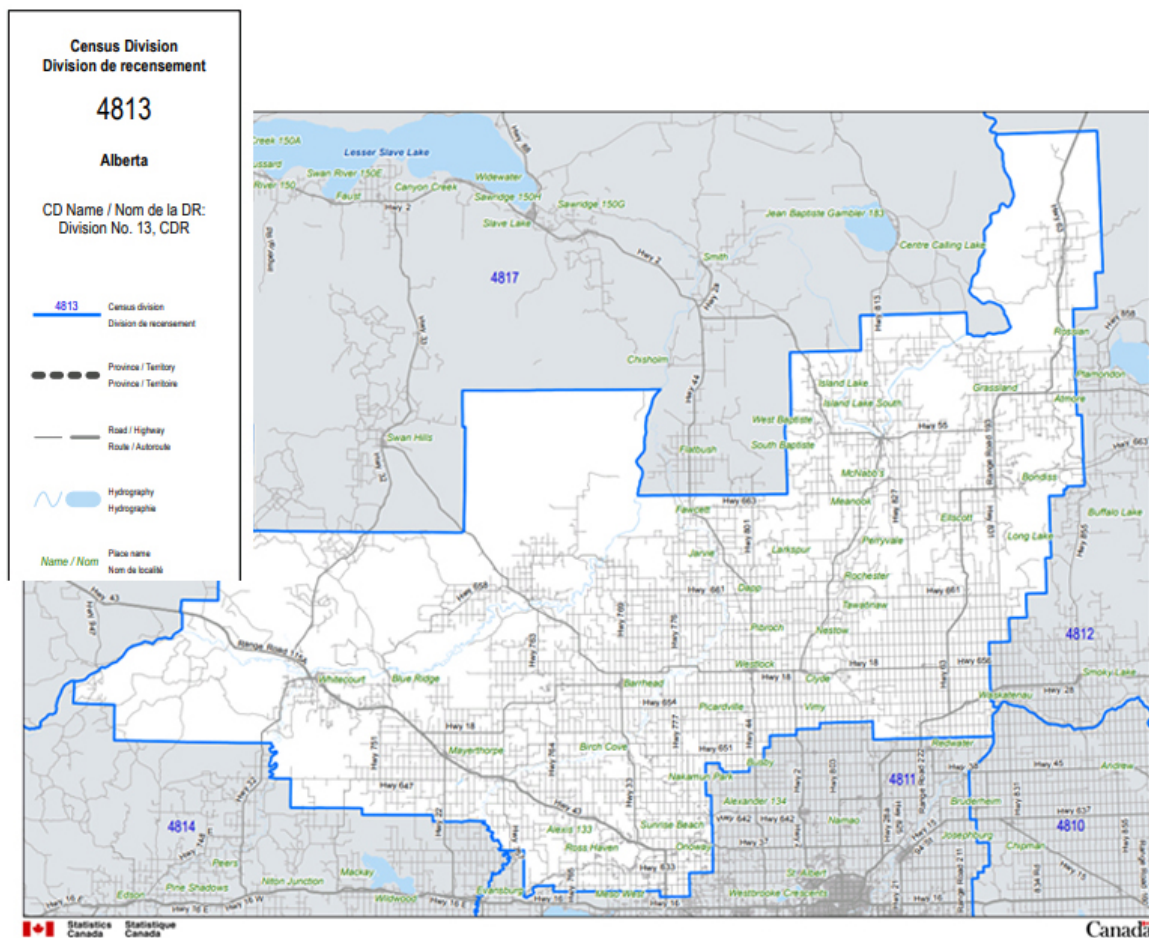


## 1 INTRODUCTION

Lac Ste. Anne Census Consolidated Subdivision (Lac Ste. Anne CCS) is an important part of Census Division 13 that is comprised of:

- Barrhead County;
- Woodlands County;
- Lac Ste. Anne Census Consolidated Subdivision (Lac Ste. Anne County; Town of Mayerthorpe; Town of Onoway)
- Westlock County;
- Thorhild County; and
- Athabasca County.

Agriculture is the leading industry within all six counties of Census Division 13.







The Town of Mayerthorpe is in a strategic location, with the ability to service the surrounding area's agricultural industry.

This project was undertaken by the Town of Mayerthorpe to:

- Provide a thorough understanding of the agricultural sector in the area.
- Facilitate the attraction of agriculture related industry to the region.
- Provide insights that could be used in marketing and communications for attraction of investment.
- Assist Mayerthorpe in responding to site selectors and potential investors.
- Provide information to support the attraction of specific agricultural businesses to the region.





## 2 PROJECT OVERVIEW

### Phase 1:

A thorough quantitative data analysis from extensive data sources. This analysis is contained within the Agricultural Sector Profile that was provided in June 2018.

### Phase 2:

A comprehensive primary qualitative data gathering and analysis was done that identified gaps in services and value-added opportunities. In addition, available development land and buildings were assessed for their agriculture development potential, including the CN Rail lands in the Town of Mayerthorpe. We used our exclusive Strengths, Challenges, Opportunities,



Aspirations, and Results Analysis (SCOAR™) to address the region's strengths and focus on desired results. This phase culminated in a Retreat with a selected group of the Region's leaders, agricultural stakeholders and businesses, where results of Phases 1 and 2 were reviewed. Achievable actions and projects were then developed by the group.

### Phase 3:

Phase 3 provided a value proposition, agricultural business directory and profile, marketing messages, an action-oriented marketing strategy and recommendations to both develop the agriculture-related sector and its 'eco-system' (also supporting development and expansion of existing businesses).

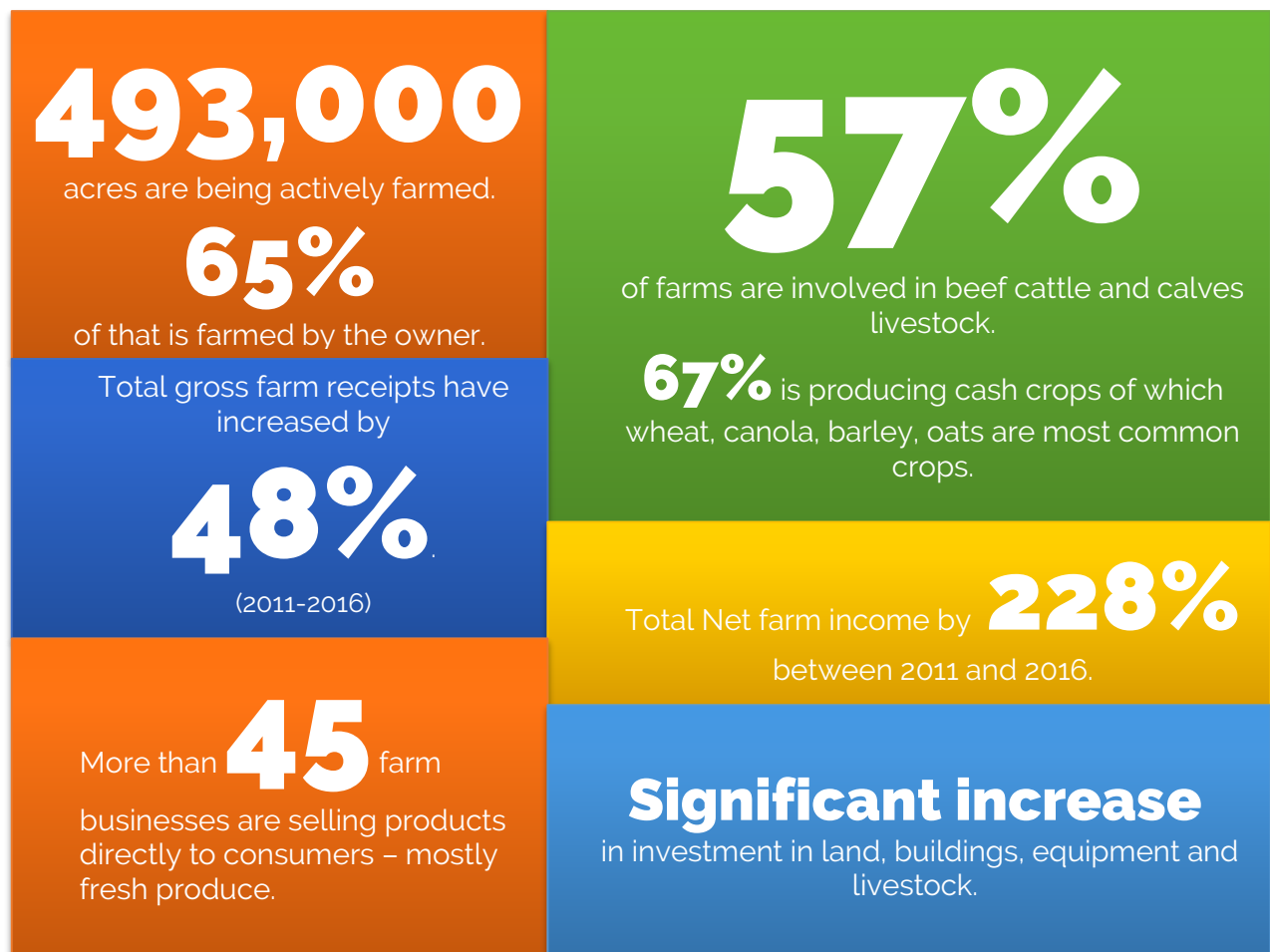




### 3 PHASE 1: SECTOR ANALYSIS

Phase 1 obtained, analyzed, and illustrated significant data for the agricultural sector in the Region, which was profiled and benchmarked with provincial figures. Furthermore, the profile included comparative analysis with Census Division 13 which comprises Lac Ste. Anne CCS, Barrhead County, Westlock County, Woodlands County, Thorhild County and Athabasca County. This Census Division surrounds Lac Ste. Anne CCS and shares similar climate, topography and soil types.

#### Highlights of the findings include:







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### Other 2016 Census of Agriculture Highlights:

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- Average farm size has increased.
- Paid farm labour dropped 35% between 2011 & 2016; 15% fewer farm operators and the average age increased to 56.5 years, older than Census Division 13 or Alberta farm operators.
- Farms are more intensively farmed – despite fewer acres farmed, there was a 10% increase in acreage treated with fertilizer and herbicides, however still 40% lower than the Provincial average.
- Average 2016 net farm incomes were 40% lower than Census Division 13 farms and 60% less than the Alberta farm average.
- Investment in land and buildings is over \$1 billion plus \$1.48 million invested in equipment - up 16%. \$144 million is invested in livestock – up 151%.
- Annual revenue approximately \$105 million (typically spent locally and cycling through the local or regional economy 2 to 2.5 times for an economic impact of at least \$210 million annually).
- There were 15% fewer farm businesses between 2011 and 2016 and a drop of 17% in farmed area.
- 15% fewer feedlots while a 20% increase in cows and heifers could indicate an opportunity.
- Compared with Census Division 13 and Alberta, Lac Ste. Anne CCS has 1.7 times the density of horse farms; 1.5 times the density of cattle ranches; 1.5 times the density of other livestock; 1.6 times the density of floriculture; and 1.4 times the density of hay production.



This Phase also included a review of documents, including municipal planning documents and policies that impact agricultural economic development.





## **4 PHASE 2: QUALITATIVE DATA ANALYSIS**

A comprehensive primary qualitative data gathering and analysis was completed that identified gaps in services and value-added opportunities.

We also conducted a review of municipal land use and development policies that apply to agricultural land and secondary enterprises that may be permitted on agricultural land. Finally, we conducted a first-hand assessment of development lands/buildings and their potential in the Region.

Phase 2 validated the Phase 1 findings, or “put some flesh on the bones” of Phase 1. This Phase also provided the “groundwork” with respect to assessment of perceived opportunities and gaps in the supply of goods and services to the sector and/or processing of products and by-products from the agricultural sector.

### **4.1. Consultations**

Phase 2 entailed extensive consultation including:

- One-on-one interviews with agri-businesses;
- Provincial Ministries and Agencies;
- GROWTH Alberta;
- Community Futures Yellowhead East;
- A focus group with the County Agricultural Services Board;
- Potential investors in the Agriculture Sector.



An Agriculture Sector Retreat was held in Mayerthorpe on June 21 to identify action plans and to ensure that the appropriate resources, business assistance, partnerships and required policy changes were identified. Action plan leaders responsible for taking the lead in implementation were identified (as well as those who will support the lead).

Phase 2 examined geographic differences that exist across the area with respect to sector opportunities, investment readiness and market forces that may influence agriculture development.





Phases 1 and 2 together provided the knowledge of key issues and opportunities to be addressed in Phase 3's marketing and communication plans, tools and resources to assist the communities in responding to investor inquiries and conveying a more attractive, investment-ready image to potential investors.

Phase 2, which was comprised of interviews with businesses and stakeholders, provided a first-hand understanding of the challenges and opportunities that exist (and would potentially face new businesses) in the Region. The interview questions focused on the following key areas, but were not limited to:

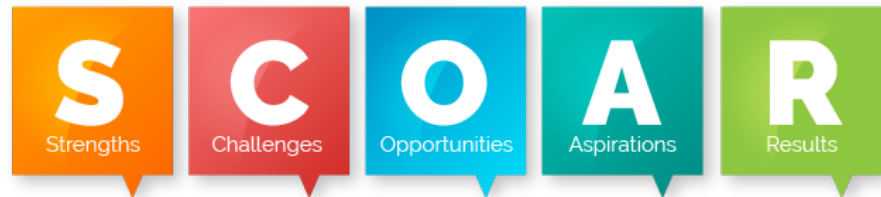
- Determining the ability to address workforce needs and labour rates;
- Adequacy of infrastructure such as roads, rail, water, wastewater and electricity;
- Servicing needs of agricultural industries;
- Any logistics/transportation issues;
- Amenities and other quality of life factors;
- Comparative cost of land and buildings;
- Local business environments;
- Taxation; and
- Incentives, either through other levels of government or through local government, to address establishment and ongoing costs.





## 5 SCOAR™ ANALYSIS

Our unique SCOAR™ Analysis is the result of a detailed and in-depth review and analysis of the current economic situation and includes:



- Detailed Economic Base Analysis.
- Review of Strategic Documents.
- On-the-ground review of base economic development assets and overall community investment readiness.
- Economic trends in agriculture and agri-business.
- Consultation with stakeholders through one-on-one interviews, group sessions and a stakeholder retreat.

### STRENGTHS

#### What are the key strengths?

##### The Businesses' Strengths

- Well-established farms with high equity.
- Consolidation into fewer, larger farms, leading to large scale of businesses make them quite competitive with others in Alberta and globally.
- Ability to shift production between beef and crops in response to market signals.
- Tradition of ranching and farming.
- Secondary income opportunities in forestry, oil & gas, healthcare.
- Output and sales have increased over time (genetic and agronomic improvements of 1-2%/year compounded).



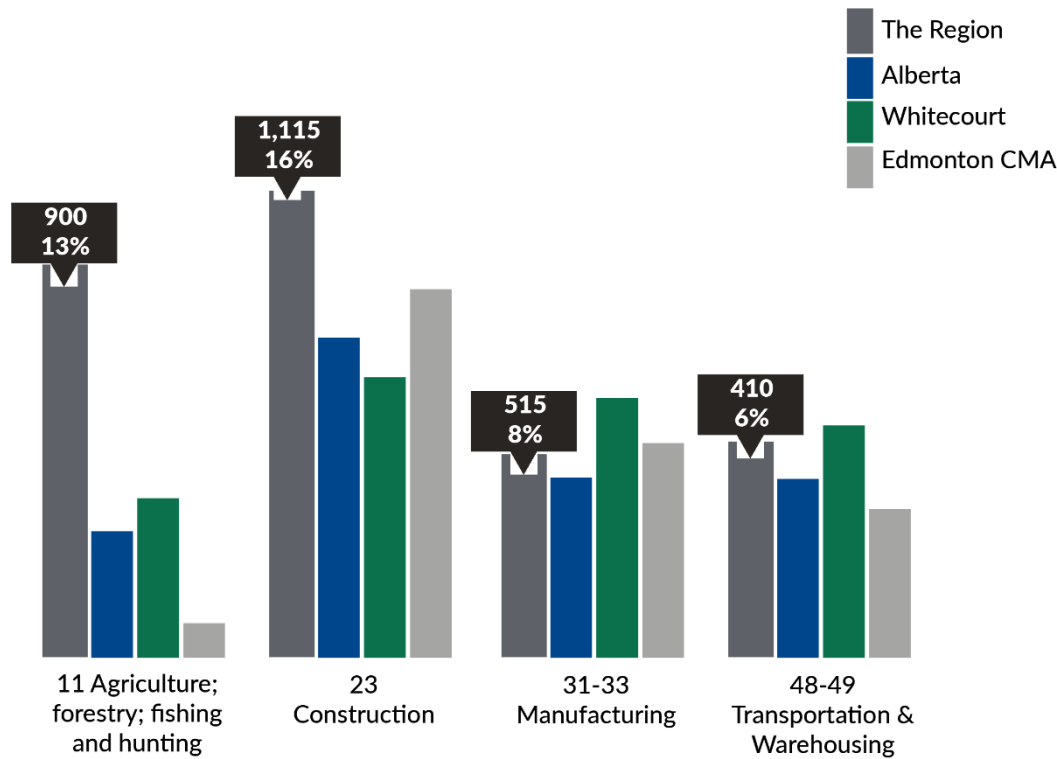
##### The Region's Strengths

- Part of a region (Division 13 & GROWTH) with similar types of farms.
- Automation and advancing technology is driving output and high labour productivity, particularly in crop production in the region.
- County Agriculture Service is well-resourced to support farming businesses.
- Several good beef genetics farms – Region has a good reputation in the industry.
- High concentrations of employment in agriculture, construction and transportation/warehousing.





Figure 1: Competitive Advantage: Workforce to Support Agri-Business Growth



Global Trends that Strengthen Agriculture

- Growing middle class in China and India creates strong global demand for more protein (meat, pulse crops) in diets and demand continues to trend upward.
- Alberta food crops and meat, particularly beef, is recognized for quality and food safety – a preferred product in most markets.

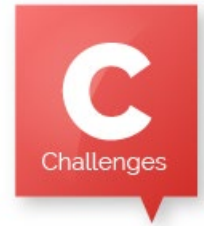






## CHALLENGES

### What are the greatest challenges being faced?



#### The Businesses' Challenges

- Aging business owners, many with no succession plans.
- Large scale of businesses make them difficult to transfer between generations.
- Investment requirements pose a significant barrier to new entrants in agricultural production businesses.
- Businesses are susceptible to revenue fluctuations caused by market cycles and adverse weather conditions.
- Larger business units are more likely to purchase capital equipment and production inputs from greater distances – searching for the best deals. As a result, local dealers and suppliers are challenged to compete.
- Skills and technology for species other than beef cattle is perceived as lacking.
- Current risk aversion in terms of new investments due to successive years of poor growing/harvesting seasons.
- Risk aversion to trying different crops/livestock that could yield higher margins and export opportunities (e.g. hemp, pulses, swine, sheep).

#### The Region's Challenges

- Agriculture labour supply is influenced by competition from Forestry and Oil & Gas businesses; labour supply can be limited at times and is higher cost than competing jurisdictions.
- Markets for most agricultural products are outside Town of Mayerthorpe and Lac Ste. Anne CCS.
- Services such as Agriculture Financial Services Corporation (AFSC), Farm Credit Corporation and Community Futures are outside the Town of Mayerthorpe and Lac Ste. Anne CCS.
- People and businesses driving out of Lac Ste. Anne CCS for inputs, services and dining and leisure activities create driving and shopping habits that reduce local business opportunities.
- Proliferation of severed lots/sub-divisions in prime agricultural areas that:
  - Create future servicing costs;
  - Create interface conflicts between different land uses; and
  - Reduce the total farmed acreage and therefore the economic productivity of the area.
- Increasing conflict between farm operations and new rural residents on rural residential sites.

#### Global Trends that Challenge the Agriculture Sector

- Demand for meat in diets in Canada is not increasing.
- Pressure of the short-term gains of non-agricultural development on top class land versus preserving those lands in agriculture for long-term economic stability and food security.
- Demand for food commodities is very inelastic - a small surplus can create large price decrease.





- Trade in food products can be disrupted by trade disputes, food safety issues or major disease issues (such as Foot and Mouth Disease, Bovine Spongiform Encephalopathy (BSE)) and result in catastrophic price drops for exported products.

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## OPPORTUNITIES

### What are the top opportunities ?

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#### The Businesses' Opportunities

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- On farm diversification into different species such as sheep, goats, pigs to add value to feed crops locally and to supply national and international markets.
- Niche crops such as ancient grains and associated small scale, specialized crops that can be sold into specialty shops and restaurants in Edmonton/Calgary/Vancouver at a large margin.
- Niche food products such as artisanal cheese, cereals, bread, sausages and ethnic products.
- Grain handling and truck-to-rail facility in Town of Mayerthorpe can be used to take product to market and create jobs.
- Biomass/fuel ethanol refining.
- Increasing number of farm gate and direct-to-consumer businesses, with the possibility of more opportunities in agri-tourism from urban towns and cities.
- Lac Ste. Anne events and summer villages bring new customers into the County every year that should be capitalised upon.
- Well-stocked and reliable hardware and building supply businesses are needed to meet local needs.
- Recreational vehicle, small engine, chainsaw and related sales and service are needed.
- Potential full-line farm equipment sales and service would make Mayerthorpe a go-to shopping destination for the Region's farmers.
- Mid-market coffee shop, sports bar, leisure meeting and dining establishments are needed to stop leakage into Parkland and Woodlands settlements, and to have 'meeting places' that increase quality of life.
- Car and light truck sales & service dealership or sub-dealerships are needed.
- New traffic lights and reduced speed zones at the junction of Highways 22 and 43 create a new opportunity to redevelop the Mayerthorpe Town entrance and attract more traffic into the core area.
- New marijuana production business in the County will create "spin-off" opportunities for supplies and services, as well as planned vegetable production using by-pass and hydroponic solutions to irrigate and fertilize vegetables<sup>1</sup>. Expertise will also develop in the Region that could attract other hydroponic production investors.

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<sup>1</sup> Hydroponic production results in bypass of about 5% of the irrigation water and dissolved nutrients. The intent is to use land around the facility to grow vegetables and berries to utilize the bypass water and nutrients that would otherwise be wasted.





- Foreseeable development of the new marijuana production facility creates both a stimulus for supply and service businesses, fruit and vegetable production on adjacent land and potential new residential developments to house the workforce needed in the facility.

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### **The Region's Opportunities**

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- Fibre Hemp Initiative that could be developed into opportunities in the value chain (assembly, transportation, decortication, products made from hemp fibre).
- Culinary tourism developments and featured local products in markets, local food retail stores and restaurants.
- School lunch programs featuring local products.
- "Field-to-Fork" initiatives including food related events and festivals.
- Rural Bed & Breakfasts should be promoted as there is little accommodation available and would be part of an experiential vacation.
- Trade shows to feature local products, equipment, technology, genetics – to be coordinated with investment retention, expansion and attraction initiatives.
- Farm and Country events to bridge the perceived lack of mutual understanding between rural and urban people and businesses.
- Trained labour force for businesses requiring agricultural managers and skilled trades.

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### **Global Opportunities for the Agriculture Sector**

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- Broad interest in local food/100-mile diets.
- Support for diversification of the economy from local population and government.
- Program support through CARES and other programs to fund development action plans and activities.
- Canada/Alberta perceived as the future "bread basket" as global climate change limits output from some traditional agricultural areas.





## **ASPIRATIONS**

### **What are the aspirations?**

#### **The Businesses' Aspirations**

- Strong commitment to profitable, sustainable family-owned businesses.
- Interest in new markets and new opportunities.
- Environmentally sustainable businesses.



#### **The Region's Aspirations**

- Development of the "Next Agricultural Heartland" planning concept.
- Development of the Town of Mayerthorpe as an Agricultural Service Hub within the Next Agricultural Heartland and Census Division 13.
- Sustainable growth and development and attraction of new business opportunities to the region.

#### **Global Trends in Aspirations for Agriculture**

- More value-added businesses and reduced export of raw, unprocessed commodities.
- Agriculture as a natural driver of economic opportunities in a diverse economy.
- Increasing globalization and export opportunities from agricultural sources.
- Replacement of imported products that can be grown or created here.







## **RESULTS**

### **What results are to be achieved?**

#### **The Businesses' Results**

- Coming generations continue to carry on successful agricultural businesses.
- Business services, inputs and capital requirements are locally supplied to the extent possible.
- Lifestyle of owners and employees can be supported in the communities where the businesses are located.



#### **The Region's Results**

- The communities are vibrant and attractive for residents and businesses.
- Economic opportunities for the people in the communities as the economy evolves.
- Services and infrastructure can be sustained to be comparable and competitive communities.
- Population and assessment grow at long-term sustainable levels.

#### **Global Results for Agriculture**

- Agriculture-based businesses are viable and globally competitive.
- Genetic, technology and agronomic advances will continue to improve quality and production.
- The economy is diverse and resilient.
- Rural economies are a strong contributor to the national / global economy and produce high quality products that support a healthy, well-nourished population.





## **6 PHASE 2: DEVELOPMENT ASSESSMENT**

Both the Lac Ste. Anne CCS and the Town of Mayerthorpe were visited to assess existing development lands' potential to attract investment, and general investment readiness.

Labour force is a key issue for all types of business, including agriculture. In order to attract and retain labour force, a community requires a high quality of place – and the responsibility for building a high quality of place rests fundamentally with municipal government. A community that renders a poor first impression (of quality of place), is incongruent with the desire for increased investment, visitors, and economic vitality. The Provincial First Impressions program may be something to be considered as it gives a constructive and objective assessment of communities.

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### **Mayerthorpe Situation:**

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- Mayerthorpe is in a good position with the servicing of a new industrial subdivision.
- There are a number of other shovel-ready properties designated and zoned appropriately for industrial development, some with rail access.

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### **Lac Ste. Anne CCS Situation:**

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- Outside of the urban areas of Mayerthorpe and Onoway, there are no "shovel-ready" industrial lands which would allow a potential investor to make immediate application for development permit and building permit.
- Other than industrial development at Highways 43 & 33, the Lac Ste. Anne County MDP directs new industrial development in the County towards two industrial nodes near Mayerthorpe and Onoway<sup>2</sup>.
- The County has two industrial nodes designated for development – one bordering the Town of Onoway and one bordering the Town of Mayerthorpe that both have great major highway access and could be developed with full services.
- The County's Land Use Bylaw zones a number of industrial parcels, all of which recognize existing or intended uses. Most are not part of the industrial nodes at Mayerthorpe and Onoway.
- Industrial development has occurred outside of industrial nodes, based on policies that existed over 3 years ago.

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<sup>2</sup> MDP: Part 2 page 34: "Industrial Development may be permitted in the areas surrounding the junction of Highways 43 and 633. Industrial use should not be permitted within the remainder of the RR Policy Area, and instead focused towards newly established Industrial Parks as identified in the Future Development Concept (Map 3, page 19 ).





- The total land area under agricultural production is constantly and consistently being diminished through the practice of approving subdivisions and developments. While the current MDP allows such subdivisions, this should be reconsidered to protect the agricultural land and industry that drives a significant portion of the Lac Ste. Anne CCS economy.

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### **Agricultural Land Sustainability**

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Agriculture is the foundation of the area economy; it generates twice the sales as the next two largest sectors combined. Trends in terms of increasing size and scale of farming and ranching businesses and larger farming equipment can be expected to continue.

Parcels of 30 or 40 acres might be technically considered to be agricultural until built upon for residential, but realistically are not of an economic scale adequate for cropping. In addition, new intensive agricultural operations are subject to limitations and/or restrictions.

As such, the County MDP provides sound policy to preserve agricultural lands and support farming. However, municipal practice tends to permit fragmentation of large units into smaller, up to 4 subdivisions per quarter, potentially non-agricultural uses upon request. Many are outside of approved areas, and away from service centres/Towns, County settlements and on farmland. Subdivisions are approved by the County MPC quite readily and have resulted in a nearly 100-year supply of unserviced lots scattered around the County. The impact is many small residential and industrial parcels that are not viable as farms, and will cause disruption to farming once developed.

Furthermore, these approvals also represent potential future municipal service demands. Increases in service demand driven by these properties could surpass the potential tax revenue, even though tax revenue may be greater than tax revenue generated by farms and ranches. These smaller parcels are not economically viable to farm and are unattractive as farm rentals due to the size of cropping equipment typically used in modern agriculture.





Farmers and ranchers have few restrictions on their growth unless they are intensive livestock farms. There are now fewer areas that are suitable for intensive livestock production because of neighbouring non-agricultural (but undeveloped) land uses on the many subdivided parcels.

If this situation is not addressed, the long-term sustainability of agriculture in the Lac Ste. Anne CCS will be jeopardized.







## **7 PHASE 3: ACTION PLAN**

In preparing the Action Plan for development of the agricultural sector, it was quite evident that adjustments would need to be made to prior municipal approaches, policies and practices to achieve success in growing and sustaining the agricultural sector. Therefore, a number of guiding principles have been prepared to support the growth, development and sustainability of the agricultural sector in the Mayerthorpe/Lac Ste. Anne region.



### **7.1. Guiding Principles**

1. Building on current strengths is a fundamental economic principle that is applicable to both the Lac Ste. Anne CCS and the Town of Mayerthorpe, and agriculture is a core strength of the area.
2. Municipal land use policies and practices need to provide for the protection of (not attrition of) land being farmed in rural areas.
3. The rural area, settlements, service centres and towns need to be strong and viable to ensure their ability to provide the amenities and economic assets required for the sustainability and prosperity of the entire region. Continued dialogue with the intent of reaching equitable shared service agreements, IDPs and ICFs between municipalities is strongly encouraged.
4. A shared and collaborative approach on economic development will provide efficiency and efficacy benefits to the area municipalities, and all of the service centres in the region. Both rural and urban economies are interdependent and linked through supply chains, labour force and transportation routes and should be regarded as one economy.





## **7.2. Marketing Approach**

Based upon the quantitative and qualitative analyses from Phase 1 and 2 as well as the outcomes from the Agriculture Sector Retreat (see Retreat Outcomes in Appendix B), the following marketing approach is recommended.



1. Ensure that municipal policies and practices are aligned and congruent with the desired outcome of growth and economic sustainability of the agricultural sector (more details follow).
2. 'Grab and steer' your best development opportunities and prepare materials that market them. The two-page marketing piece has been designed to pique interest in the Region, but investors will want more specific details on investment opportunities.
3. Build on your strengths:
  - The area's agricultural industry is the key economic generator within the regional economy. Economic development actions to further build the sector and market its opportunities for growth should be a priority.
  - Mayerthorpe has the beginnings of becoming an agricultural service centre. Build on that up and down the agricultural supply chain as a strategy for growth and to retain dollars currently leaving the Region.
  - With its rail and many major highways, the area is in an enviable position to attract agri-businesses (and others). There is great potential for the municipalities in the Lac Ste. Anne CCS to cooperate on the development of the two industrial areas (indicated as "Industrial Nodes" in the County MDP (Map 3, page 19) adjacent to Mayerthorpe and Onoway.
  - The area has great vistas, farms and increasing farm gate sales that make it a potential destination for weekend trips for families and other tourists and should build upon this opportunity.
4. Once the preparatory work has been implemented as recommended in this report, begin a shared and collaborative approach to agricultural economic development and marketing.





### 7.3. Marketing Resources

In the third phase of this project, resources and recommendations were developed that would assist the Region's ability to capitalize on its agri-business assets.

The resources included:

- The Agricultural Sector Profile.
- An Agri-Business Directory was developed to provide information on agricultural related services in the region, as well as insights about the sector and the input/output potential generated by farming activities in the region.
- A two-page Agricultural sector investment attraction brochure providing key information about the Region, outlining the top investment opportunities and facts related to investment in the agri-business industry, and illustrated with attractive graphics. (See Appendix A).





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## **7.4. Municipal Actions**

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This section provides recommendations that will support the growth of the agri-business sector as well as supporting the quality of place that residents and employers want. Increasingly, the number one criteria that investors and potential workforce seek is quality of place that includes the amenities, attractiveness and services that competing municipalities can offer.

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### **Municipal Policy & Practice Actions**

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- Consider investment incentive policies, including tax increment and site improvement incentives.
- Consider the development of an Area Redevelopment Plan for Town gateways, entrance and downtown that will increase the attractiveness of the Town to both investors, residents and visitors. Given the proximity to provincial Highways 43 and 22, the Ministry of Transportation will need to be included in consultation.
- Support policies and programs that support tourism-related businesses: B&Bs, restaurants, experiential activities,
- Consider actions that will address noted issues to build a higher quality of place.

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### **Marketing Actions**

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- Prepare a marketing program for available properties in Mayerthorpe, including the new Industrial Park. We recommend a billboard on Highway 43 with the vision of the site rendering rather than standard "For Sale" signs that will be more engaging (see examples below).
- Research the details related to each of the other industrial properties "available" for sale.
- Develop a sales sheet for each property (PDF and hard copy).
- Post property information and sales sheets on the municipal website.
- Prepare an opportunities briefing package/folder including the sales sheets.
- Meet with the major ICI brokers in Edmonton, present "Mayerthorpe" and available properties.
- Hold a familiarization tour and golf day for ICI brokers/agents from Edmonton and other urban centres.
- Designation of a responsible Mayerthorpe staff member to keep the Agri-Business Directory current and on the website is recommended.







## 7.5. Additional Action Plan Ideas from the Retreat

There were some specific actions that could be considered for future investigation that emerged from the Retreat and had input from the Region's leadership, stakeholders and businesses. Some of these actions included the following. (See Appendix B for more detail):

- Aggregate scattered development into a smaller number of areas that are easier and more efficient to service.
- Capitalize on the three CNR sidings in the region. Acquire land along the sidings using a P3 to own/development the land.
- Develop a producer trans-loading facility – build a network with grain companies and regional producers who need grain moved to market.
- Business Retention and Expansion program to:
  - Engage with existing dealers and businesses to ensure they stay.
  - See if we can avoid consolidation into other geographic locations.
  - Create connections with agricultural operators.
  - Achieve community involvement and outreach.
  - Develop regional alliances to document wants / needs and gaps.
- Capitalize on 1000 known new jobs coming to the region to realize spin-off benefits:
  - Work with employers to understand the profile of expected newcomers.
  - Engage with realtors and retailers, home builders.
  - Potential tradeshow type event or open-houses to profile options and benefits.





- Work with Northern Gateway School Board to create a skill and entrepreneurial agricultural dual credit program with a trades component, as agricultural businesses require specialised trades services.
- Develop multi-use facility with a solid anchor tenant that addresses gaps in services available in the area. It could include a gym, day care, drop-in centre, coffee shop and public washrooms depending on the ownership model and businesses involved, but it could be a P3 or co-operative.

These are not the recommendations of this report but are grass-roots driven ideas of projects that would bolster the area's agri-business sector and/or communities. In our experience, projects with grass-roots support are more likely to succeed than top-down driven ideas.





## 8 CONCLUSION

In terms of the Lac Ste. Anne CCS economy, agriculture is the major driver of other economic activities. The net inflow of revenue into the region from agricultural production is over \$52 million, which is almost as much as the next two leading sectors combined. Some of the growth in the industry is due to historically high commodity prices but the Location Quotient (LQ) values for the major products is at least 1.5 times that of the Census Division 13 region or the Province. The LQ is an indicator of having underlying attributes that make agriculture in Lac Ste. Anne CCS highly competitive and resilient even through difficult periods. Add to this the increasing productivity of the sector driven by technology, agronomics and genetic improvements. Agriculture is the economic base upon which the area can build and leverage other development.

Some of the data provided in the Agricultural Sector Profile paints a picture of a healthy sector – growing investment, increasing output, high and improving labour productivity. While these are healthy indicators for the sector, there are also some warning signals. The amount of land being farmed is declining, and farm revenues are substantially below average. These factors present challenges to the service centres and towns in the area. There are fewer families on farms, while agricultural business needs are more complex yet requiring fewer but more sophisticated suppliers.

The increasing expenditures on inputs, technology and equipment represent a potential business opportunity either for existing businesses or others wishing to locate in the region. The agricultural revenue that flows through the economy generates a huge local impact, typically 2.0-2.5<sup>3</sup> in terms of spending and job creation, as it circulates through the local economy.

There are associated opportunities in terms of industrial development. As discussed at the Retreat (details in Appendix B), the County has three rail sidings with adjacent land that can be developed. The first of these is in Mayerthorpe where proposed silica sand and existing grain loading facilities can help to stimulate other nearby development.

The Lac Ste. Anne CCS and the Town of Mayerthorpe are well situated both geographically and economically to be a node for agricultural growth in Alberta. By capitalizing on the number of opportunities and addressing challenges through partnership, strategic planning and proactive management, the future of the agri-business sector is positive.

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<sup>3</sup> An average based upon Agriculture Economic Impact studies across Canada and the US.







As highlighted throughout this report, the area holds great potential to build on and expand its agri-business sector. Maximizing this potential will entail three important components:

1. Strategic planning of the usage and marketing of the assets that are most attractive to investors (rail, roads, land, workforce).
2. Strong stewardship of lands in agricultural production.
3. Strong working relationship between the municipalities and a shared vision and goal of having a vibrant economy and robust quality of life for all residents.





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## **APPENDIX A: 2-PAGE INVESTMENT ATTRACTION BROCHURE**





# INVESTED IN AGRICULTURE



Town of Mayerthorpe offer prime opportunities for agricultural production, processing and support services to farms.

Located within Lac Ste. Anne County Census Consolidated Subdivision (LSACC), the area is comprised of:

- Prime agricultural land;
- Trained, loyal and hard-working workforce for agriculture and related industries;
- Strong road and rail connections that get your product to market quickly and efficiently.

The Town of Mayerthorpe is situated in a large agricultural district that extends beyond LSACC and is a service centre to almost 800 farms, encompassing nearly 500,000 acres of prime farmland. At the junction of major Highways 43 (The Alaska Highway) and 22 (The Cowboy Trail), investment continues to grow in the agriculture and service sector with newly serviced 'Gasoline Alley North' starting development right on Highway 43 and other developments in the Town along the CN Rail line.



In a region of Alberta where economic diversity limits the impact of oil and gas sector cycles, the Town is committed to ensuring that the needs of investors are met, and the Region is prepared for significant agricultural development.

## THE TOP 5 REASONS TO INVEST IN ALBERTA'S NEXT AGRICULTURAL HEARTLAND

### LOCATION, LOCATION, LOCATION

Neighbouring Alberta's Capital Region, with access to the CANAMEX Corridor, Alaska Highway, Cowboy Trail, Grizzly Trail and Highway 37 into Alberta's Industrial Heartland.

### EASE OF GETTING PRODUCT TO MARKET

Highway 43 (Alaska Highway) connects with Highway 16 (The Yellowhead) for east-west and north-south transport. CN Rail service ships across Canada and to both West and Gulf Coast ports.

### QUALITY OF LIFE

Recreation facilities, beaches, hospital, extended care facilities, top-performing schools and nearby amazing outdoor recreational activities help recruit and retain employees.

### CAPACITY FOR NEW DEVELOPMENT

Shovel-ready development land with ample water, wastewater capacity and access to CN Rail.

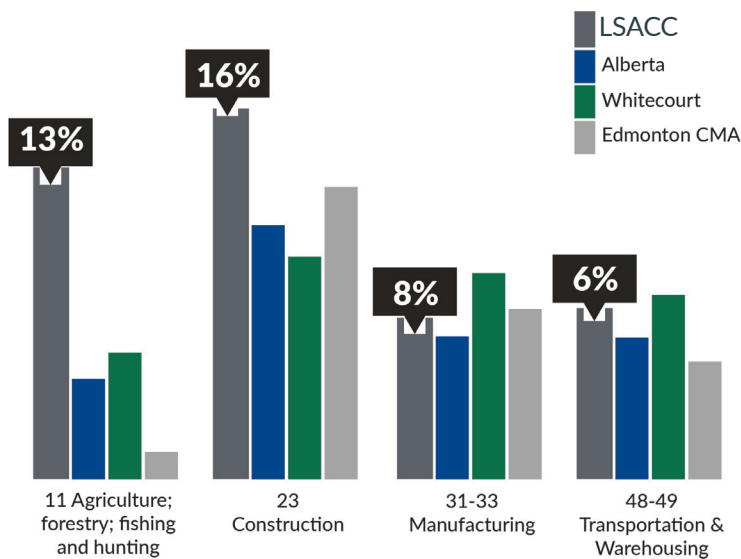
### SKILLED WORKFORCE

The area boasts one of the highest concentrations of both managers in agriculture and certified trades people in Alberta.

Source:  
EMSI Analyst 2018

# The area's (LSACC) total gross farm receipts increased by 48% between 2011-2016.

## Talented Workforce: We have the Workforce to Support Agri-Business.



Source: 2016 Statistics Canada Census

## QUICK FACTS

The area is a short drive to Edmonton with world-class culture, entertainment, sports, restaurants and shopping

Reasonable land costs, development incentives and low development charges

Year-round recreation with beaches, fishing, golf, ice-fishing, cross-country skiing

Regional airport in Lac Ste. Anne County and easy access to Edmonton International Airport (YEG)

Over **11,000** vehicles pass through Mayerthorpe on a daily basis (on average)

## \$1.3+ billion\*

invested in land and buildings (2016) – up 16% from 2011; \$138 million invested in equipment – up 16% from 2011; \$144 million invested in livestock – up 151% from 2011



## \$104+ million\*

annually in gross farm receipts, which would generate a local economic impact that is typically more than double that amount

\* Source: 2016 Census of Agriculture



## Poised for Growth

The Town of Mayerthorpe is taking their leading industry – **Agriculture** – to the next level.

We invite you to be a part of our growth, whether your business is producing, processing, supplying or constructing in the Agri-Business sector. Give us a call or come visit and we will show you some great opportunities!



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## **APPENDIX B: RETREAT OUTCOMES**

Following are transcriptions of the actions or projects that were proposed by attendees of the Agriculture Sector Stakeholders Retreat, held in Mayerthorpe on June 21<sup>st</sup>, 2018.

Attendees included elected leaders, staff, area businesses and stakeholders.



## Action Planning Worksheet

### Challenge: Business Retention and Expansion

**Action Items (What we're going to do):** Develop Agri-Business Support Services

Action/Steps	Champion Who's Responsible?	Resources Required	Time: Start By & Target End Date
Things to change or new alliances to form:	Joint with Town	Staff and selected members of council	Begin now or asap and continue
1.) Engage with existing dealers and businesses to ensure they stay. See if we can avoid consolidation into other geographic locations			
2.) Connections with Ag. Operators.	Town initiative	Staff to facilitate networks/opportunities - Fan out list	2018 and ongoing
Community involvement and outreach	n/a		
Producer trans-loading facility – build network with grain companies and regional producers who need grain moved to market	Operators, CN Rail, Town to support	Advocacy to get siding and access to short-term storage	2018 to be ready after harvest if possible

## Action Planning Worksheet

### Challenge: Develop or Attract Key Businesses for Ag. Industry

**Action Items (What we're going to do):** Gap Analysis for Agri-Business

Action/Steps	Champion Who's Responsible?	Resources Required	Time: Start By & Target End Date
Regional alliances formed to document wants/needs and gaps	Business Support Network / Ag Services Board	Market assessment – identify potential businesses and site requirements	2018 – quarterly review of progress
	Community Futures Yellowhead East as support	<ul style="list-style-type: none"> <li>- Is this an expansion of an existing business or new business to be attracted?</li> </ul>	Continue at least 1 year

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**Evaluation Methods:** How will we know we're successful? And when? Desired Results/Actual Results

Gaps identified and/or filled.



## Action Planning Worksheet

### Challenge: Developing/Attracting New Businesses Requiring Rail Services

**Action Items (What we're going to do):** Develop properties adjacent to rail sidings – possible siding extension

Action/Steps	Champion Who's Responsible?	Resources Required	Time: Start By & Target End Date
1. Aggregate scattered development into a smaller number of areas that are easier and more efficient to service	Shared with municipal partners – may require a P3 (3 <sup>rd</sup> partner to acquire land to be developed) - Potential relationship with CN Rail to help identify and attract businesses	Servicing plans and development plans updated with more details	Start in 2018, but could evolve over 3 to 5 years as properties develop
2. Capitalize on 3 CN sidings in the Region. Acquire land along the sidings using P3 to own land for development	Joint with municipalities, with links to newcomer initiative as part of attraction package	Agreements developed and partners identified. IDP to be created to be supported by expedited development process	Mid to longer term

## Action Planning Worksheet

### Challenge: Attracting/Retaining the Right People

**Action Items (What we're going to do):** Engage and retain new employees in Region

Action/Steps	Champion Who's Responsible?	Resources Required	Time: Start By & Target End Date
<ul style="list-style-type: none"> <li>• Capitalize on 1000 known new jobs coming to the region to realize spin-off benefits.</li> <li>• Work with employers to understand the profile of expected newcomers.</li> <li>• Engage with realtors and retailers, home builders.</li> <li>• Potential tradeshow type event or open-houses to profile options and benefits</li> </ul>	Shared with Town	Document types of people coming <ul style="list-style-type: none"> <li>- Create profiles of housing options and costs</li> <li>- Employment options for spouses &amp; partners</li> </ul>	Start in 2018 – repeat periodically as new employers are added or as business expansions take place

**Evaluation Methods:** How will we know we're successful? And when? Desired Results/Actual Results

**New homes sold/built**

**Businesses expanded to meet wants and needs of new/added residents**

## **Action Planning Worksheet**

### **Opportunity: Developing & Attracting New Businesses – Youth Focus**

**Action Items (What we're going to do):** Create new high school programs catering to agriculture

Action/Steps	Champion Who's Responsible?	Resources Required	Time: Start By & Target End Date
Work with Northern Gateway School Board to create a skill and entrepreneurial agricultural dual credit program. Could have a trades component as agricultural businesses require specialised trade services.	Municipalities working with the schools & school board  Town Economic Development  Community Futures, AFSC/FCC	Further development of concept with board input. Corporate sponsors (Deere, Case, Cargill or Input companies).	Start in 2018 and continue – evaluate and improve annually

## Action Planning Worksheet

### Challenge: Attracting and Retaining New Residents

**Action Items (What we're going to do):** Development of a Multi-Use Facility

Action/Steps	Champion Who's Responsible?	Resources Required	Time: Start By & Target End Date
Dependent upon the ownership model and businesses involved, the concept is for a multi-use facility anchored by the Public Library and possibly municipal offices. It would include a gym, day care, drop-in centre, coffee shop and public washrooms. If visible and accessible from the highways, it would give another reason to stop when going by the Mayerthorpe exit.	Town to lead and other organizations to support	Concept design – could use school of architecture or landscape design students from U of A. might include design for highway access and beautification of Town entrance	Start in 2018 to be completed by 2020.