

Promoting Agriculture Initiative**Report Purpose**

To provide Council with information and a recommendation on resourcing options to support the attraction of new value-added agricultural investments to Strathcona County.

Recommendation

THAT administration include Option B, additional staff and budget resourcing dedicated to drive agricultural investment in Strathcona County, as a Council Driven Initiative for Council's consideration as part of the 2024 budget process.

Our Strategic Goals

Goal 1 - Economic Prosperity

Goal 3 - Responsible Development

Goal 1 Priority - Promotion of a diverse agricultural market that supports the local economy

Goal 1 Priority - Development of emerging sectors that supports innovation, economic diversification and tourism

Report

Agriculture is deeply integrated in Strathcona County's geography, history, economy, and future. As global agrifood supply chains become more fragile and critical to the overall health of nations, value-added agricultural investment opportunities have increased for locations that retain natural competitive advantages, such as Strathcona County and surrounding areas.

On November 15, 2022, Strathcona County Council directed administration to provide a report regarding a potential "promoting agriculture initiative" to attract agricultural investment to the subregion, including an estimated budget and next steps for implementation. On June 20, 2023, administration presented the requested report to Council in closed session that remained confidential pursuant to Section 25 of the *Freedom of Information and Protection of Privacy* (FOIP) act, to protect confidential information and the economic interests of the municipality.

Information within the confidential report and presentation to Council on June 20 included:

- Background on Alberta and Strathcona County's agriculture and agri-food sectors
- Definition of value-added agriculture and sector specific opportunities
- An assessment of potential investments and economic impact analysis
- Environmental scan and competitive analysis
- Possible scenarios to support new investment

Market analysis within the report confirms that Alberta's agricultural gross domestic product (GDP), exports, and food-processing sales are all growing in line with global market demand, and reflective of the high quality and large volumes associated with regional agricultural production. Strathcona County and the Edmonton Metropolitan Region are well positioned to capitalize on this demand growth through the attraction of new facilities, operations, and expansions to process and manufacture value-added agricultural products. The economic impacts of these investments are meaningful through job creation, new tax revenues, further diversification of our economy, and building resilience within our local food sector.

The report identifies what the specific types of value-added agricultural investments that Strathcona County is ideally positioned to compete globally for. These conclusions are supported by an analysis of recent leads and review of existing regional studies and reports on the sector. The preferred locations within our municipality to locate these types of investments and facilities are identified with consideration to utilities, transportation, land use definitions, zoning districts, and access to labour. Focus should be placed on zoning districts on the edges of the urban service area that allow for these types of land uses.

Further analysis is done to demonstrate the local economic impacts of value-added agricultural investments, to accurately evaluate the community results of these facilities, which extend far beyond direct employment and new tax assessment.

Following an environmental scan, the report compares four unique scenarios that would consider all possible types of new resourcing towards the attraction of new value-added agricultural investments to Strathcona County:

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| Option A | Status Quo: no change to internal or external resources |
| Option B | EDT+: new internal resources dedicated to drive agricultural investment in Strathcona County |
| Option C | Bolt-on: new external resources to increase capacity of an existing regional agency |
| Option D | New agency: new external resources to create a new regional agency |

The report outlines next steps in each scenario to facilitate the development of value-added agricultural investments in this sector. Individual tactics are categorized as either completed, ongoing, or planned and includes: collaboration, marketing and communications, lead generation, advocacy, studies and business cases, stakeholder engagement, regulatory and bylaws, infrastructure development, incentives, application services, site readiness, and continual improvement (strategic development).

At Council's direction on November 15, 2022, administration evaluated the options to put greater resources towards agricultural investment attraction activities and their corresponding impacts. In the June 20 closed session presentation on this report, Council directed administration to return in open session to further discuss Council's preferred path: Option B (EDT+).

In an effort to advance agricultural initiatives in the County, the business case that administration previously delivered to Council on June 20, 2023, is being referred back in open session so that Council can make a decision towards resourcing through the 2024 budget planning process as a Council Driven Initiative (CDI).

This option directs additional resourcing towards Strathcona County's Economic Development and Tourism department that is dedicated towards supporting investment attraction activities in our target diversification sectors, highlighted primarily by agricultural investments. Focusing resourcing towards Strathcona County-led initiatives returns the highest impact benefits (economic and otherwise) to our business community and residents and retains Strathcona County's locus of control to direct activities that best serve the interest of the municipality.

Council and Committee History

Nov 15, 2022 Council approval: THAT administration provide a report by the end of Q2 2023 regarding a potential "promoting agriculture initiative" that would be designed to attract agricultural investment in the subregion, including industrial agriculture such as processing, genetics and genomics, agricultural tech and innovation, food and beverage manufacturing, animal nutrition, and biofuels; the report to include an assessment of opportunities, potential economic benefits, an outline of proposed tactics, and the estimated budget and next steps required for implementation.

Other Impacts

Policy: n/a

Legislative/Legal: n/a

Financial/Budget: Budget Recommendation

Interdepartmental: PDS

Master Plan/Framework: Agriculture Master Plan

Alternatives

Option A Status Quo: no change to internal or external resources
Option B EDT+: new internal resources dedicated to drive agricultural investment in Strathcona County
Option C Bolt-on: new external resources to increase capacity of an existing regional agency
Option D New agency: new external resources to create a new regional agency

Enclosure

1 Attracting value-added agriculture investment to Strathcona County and region presentation