

**Town of Rocky Mountain House
Economic Development Strategic Plan
2012-2015**

November – 2011

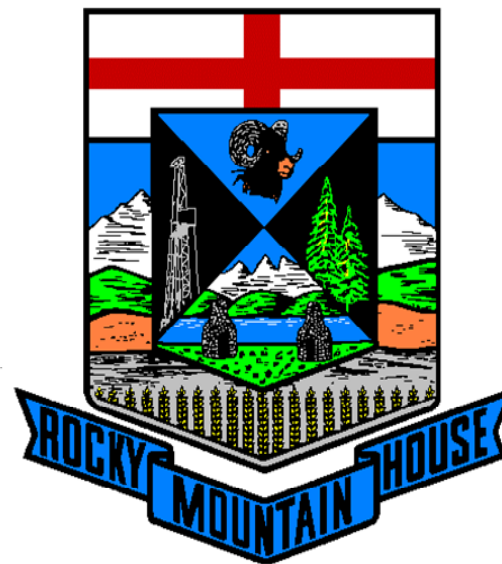


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Introduction

Rocky Mountain House is a town with a population of 7,231 (2007 municipal census) in Clearwater County, in west-central Alberta, at the confluence of the Clearwater and North Saskatchewan Rivers. It is located 81 km west of Red Deer, and 229 km northwest of Calgary at the junction of Highway 11 and Highway 22. It has a trading area population of more than 20,000 and during the summer months it increases by many more thousands from tourists in the area.

Rocky Mountain House was the name given to the North West Companies fur trade post built in 1799 to develop trade with the Kootenay and was the base from which David Thompson crossed the Rockies in 1807. From 1821 the Hudson's Bay Co. operated Rocky Mountain House intermittently, rebuilding it three times. The trading post was finally abandoned as unprofitable in 1875. Thirty years later, settlers began arriving mainly from central Canada, the US Midwest and the United Kingdom. Coal deposits at Nordegg, 87 km to the west, attracted two railways through Rocky Mountain House in 1912 and 1914.

Rocky Mountain House is a major centre for timber, agriculture and oil & gas enterprises, as well as being a gateway to the splendid recreation areas of the Rocky Mountains. It offers full amenities for tourism, health care, recreation and education. Educational facilities include preschool, daycares, four public schools, one Catholic school providing grades K-12, and one private school offering K-9. Post secondary education is available at an off-campus section of the Red Deer College, as well as Campus Alberta. Medical services include a hospital, fourteen medical doctors as well as numerous other health care providers. Recreational facilities, besides the incredible natural features, include a swimming pool, twin arena, curling rink, football and soccer fields, basketball, tennis and baseball facilities, and parks

Rocky Mountain House is prospering, and the future looks incredibly bright. Business and pleasure have successfully meshed, resulting in the best of both worlds – Small Town Lifestyle with the amenities of a much larger centre.

Purpose of Plan

The strategic plan charts the strategic direction for Rocky Mountain House and Area Tourism and Economic Development Board and is designed as an engagement document for residents, business owners, investors, local organizations, Town administration and officials and regional governing bodies to understand the initiatives to be undertaken, the results to be achieved and the opportunity to become involved. Extensive stakeholder meetings were held and these goals and actions were developed from the Business Vitality Initiative project, the Community Sustainability Initiative, the Community Investment Readiness document, and the Town of Rocky Mountain House Strategic Plan. Town leadership felt that the goals from the consultation process of these documents were ones that should be concentrated on to make Rocky Mountain House and Area a great place to live, work and play.

Mission Statement

To develop and facilitate strategies to promote, enhance and expand tourism and economic development within Rocky Mountain House.

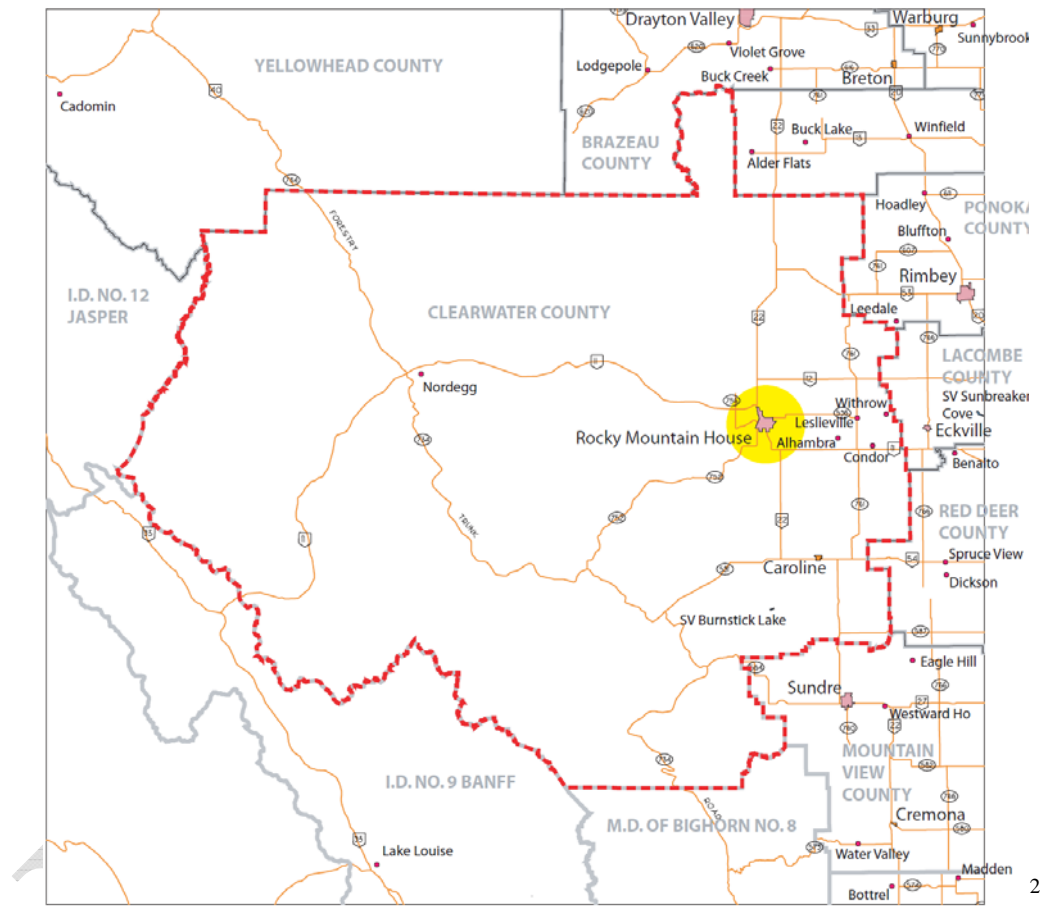
Our desire is to generate a balanced growth with reference to economic, political and social issues affecting our community.

The Tourism & Economic Development Board will accomplish these goals by working with business, municipal and provincial governments, education and community groups to identify opportunities and eliminate barriers for local development.

ECONOMIC BACKGROUND – *Rocky Mountain House and Area*

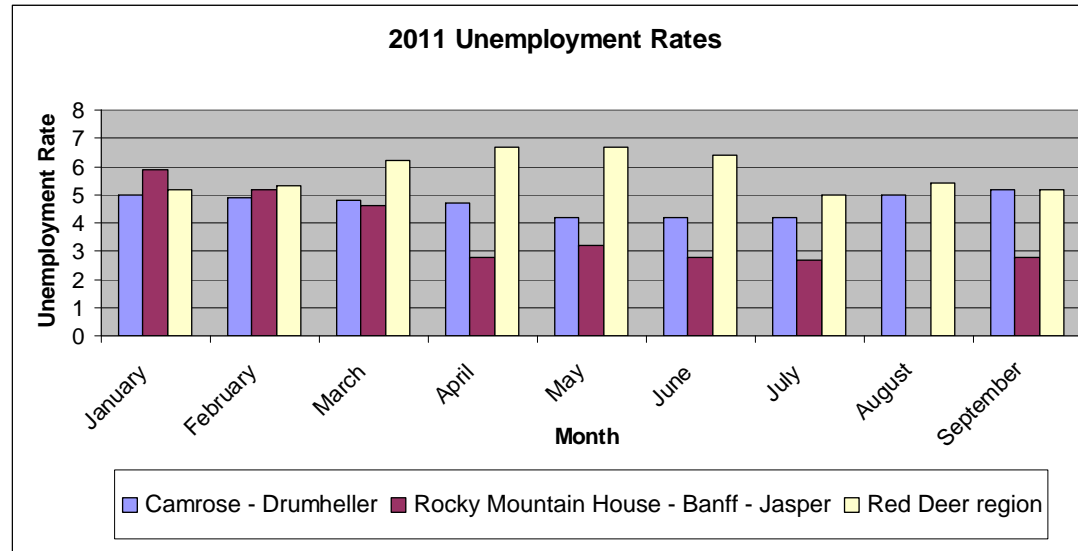
The Rocky Mountain House regional economy is primarily reliant on the sectors of oil and gas, forestry, tourism, and agriculture. The sectors with the largest number of employers within Rocky Mountain House are oil and gas (678), construction and trades (236), accommodation and food services (233), retail/wholesale (201), and health and social services (185)¹. Several businesses in the Region provide services to the oil & gas industry. These services include: oilfield construction, maintenance, supply and reclamation, wireline services, pipeline construction, environmental and waste removal services, oilfield hauling and transportation. Education and government sectors also employ a large part of the population in this area. In developing an Economic Development Strategy, awareness of the existing sector strengths that are found within Rocky Mountain House, and which sectors need to build on, is vital.

¹ Statistics Canada (2006). Census Canada, Employees per Industry.



The current unemployment rate indicates that there are many job opportunities available in the Rocky Mountain House area and that many of Rocky Mountain House citizens find themselves in full employment. Below is a graph showing the unemployment rate statistics for Rocky Mountain House – Banff – Jasper region and comparing this region to others found in Alberta.

² Municipal Affairs (2011). Location and History Profile – Town of Rocky Mountain House. Location Map

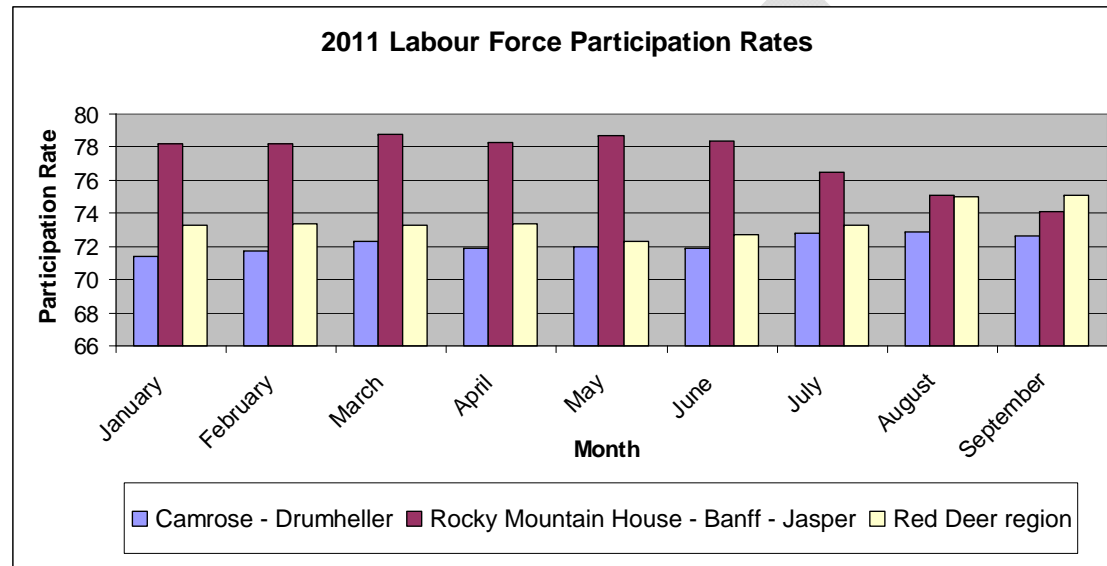


It is clear that the Rocky Mountain House area has much lower unemployment rates than comparable regions. However, having too low of an unemployment rate might pose significant challenges for existing businesses as well. Too low of an unemployment rate creates additional costs in training and attracting employees, and increases local inflation. For those industries that cannot charge higher additional prices to offset increasing costs (i.e. tourism, service, forestry - all current staples of Rocky Mountain House's economy) this could spell financial hardship ahead. Rocky Mountain House must be cognizant of having too low of a rate of unemployment in its pursuit of economic development initiatives.

Perhaps more telling of the strength of employment in Rocky Mountain House is consideration of the Labour force participation rate. The participation rate measures the amount of people participating in the labour force as a percentage of the population aged 15 years and over. Basically, the participation rate measures the amount of structural unemployment (i.e. jobless, disabled, collecting employment insurance) or those unemployed that aren't actively seeking a new job. The Rocky Mountain House region compared to

³ Statistics Canada (2011). Labour Force Survey estimates by provinces and economic regions based on 2006 Census boundaries, 3-month moving average, unadjusted for seasonality, monthly – Unemployment Rates.

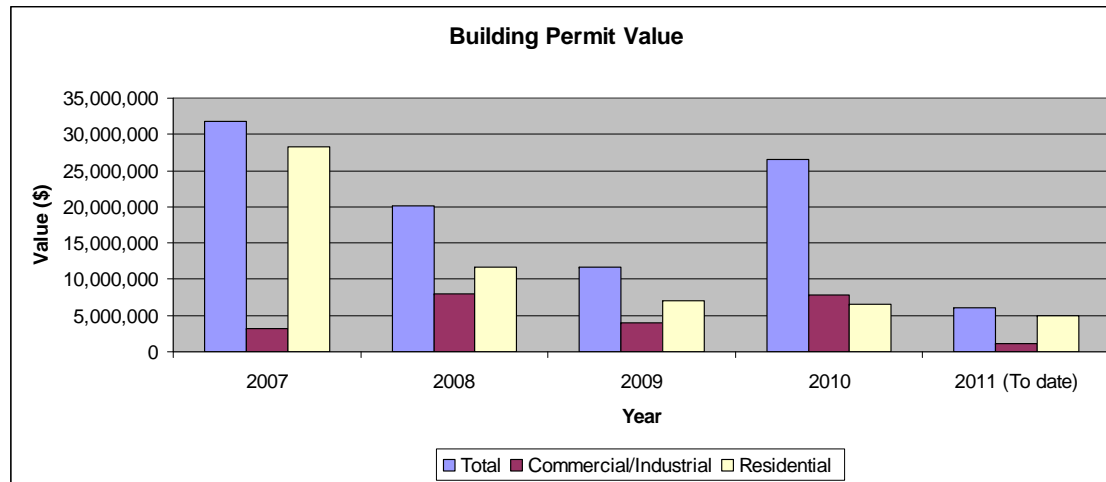
Red Deer, or Camrose - Drumheller shows a significantly better participation rate (on average > 77%, compared to ~73%). This corresponds with the unemployment rate, but also demonstrates that the Rocky Mountain House area is a strong region for attracting an able-working demographic.



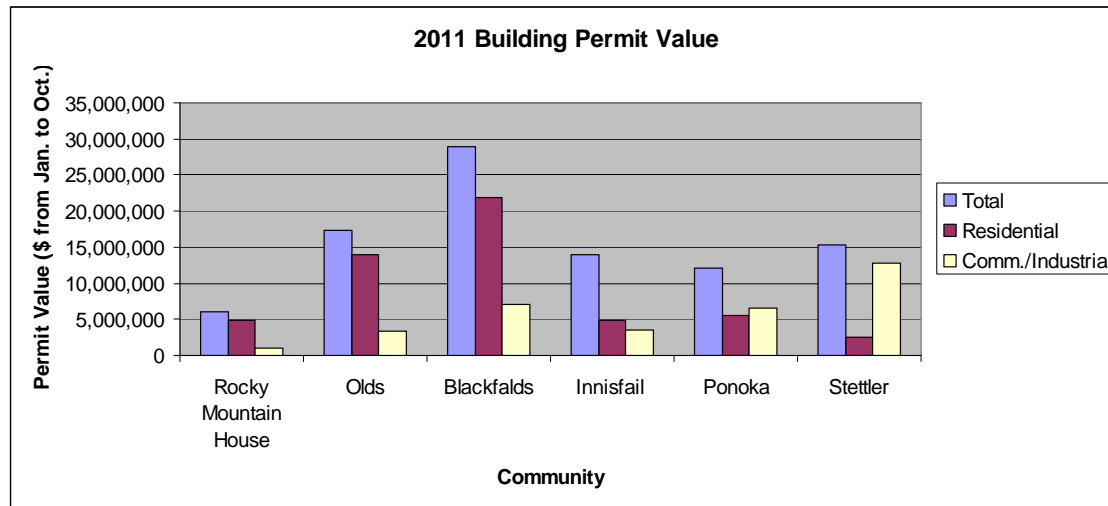
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Looking at Rocky Mountain House building statistics provides an indication of how strong the local economy has been growing. Housing construction in 2011 has dipped from previous years by a small margin, but looking at the total value of commercial and industrial construction in 2011 is more telling. To date in 2011 (October) commercial/industrial building permit value was \$1.045 million, while in 2010 it was \$7.84 million, and in 2009 it was \$3.94 million. This is of concern as balanced growth would include residential, commercial, and industrial growing in lockstep.

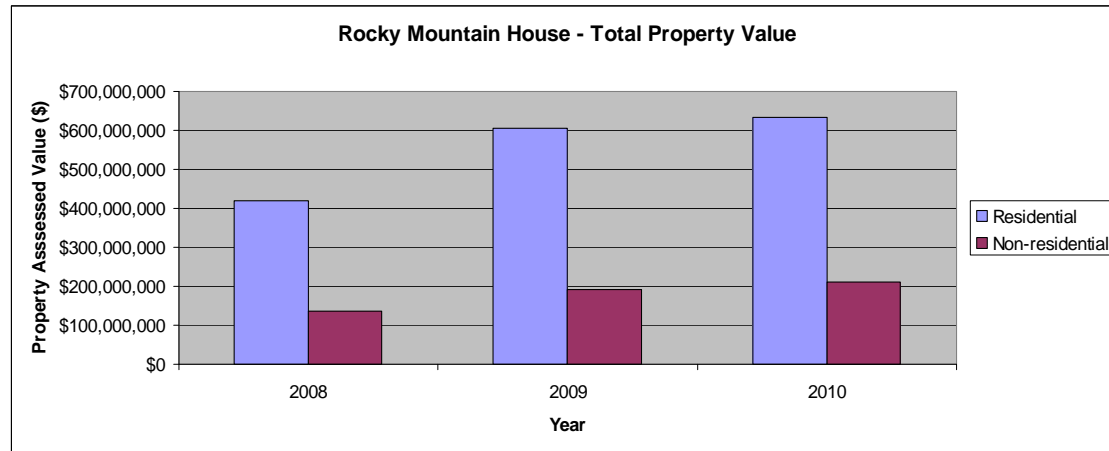
⁴ Statistics Canada (2011). Labour Force Survey estimates by provinces and economic regions based on 2006 Census boundaries, 3-month moving average, unadjusted for seasonality, monthly – Participation Rates.



In comparing the 2011 estimated value of construction from building permits to other municipalities of similar size, Rocky Mountain House is behind in total value. This is of concern as the community moves forward as the Town is in direct competition with these other communities for labour, industry, and commercial development. It signals that Rocky Mountain House can be doing a better job of making the community an attractive place for businesses, industry and residents to relocate. The goals included in the Economic Development Strategic Plan strive to address the Town's competitiveness (for example, in land ready for development) and initiate a coherent effort in business attraction.



At the same time, Rocky Mountain House property values have been increasing over the last three years. For both residential and commercial/industrial properties, there has been an increase of greater than 30% from 2008 to 2010. It's not uncommon to see property values increase over time, especially in a growing economy, but the scale of the increase is of interest. A large increase in property values can further limit commercial/industrial growth by making land, and rental leases more expensive compared to other regions, and make Rocky Mountain House a less desirable place to invest.



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The significant drop off in commercial and industrial building permit value raises questions in terms of economic development. What hindrances are there to attracting new commercial and industrial businesses to Rocky Mountain House? Which industry sectors should the Rocky Mountain House area be targeting for economic development? What steps can be taken to encourage more industrial and commercial construction? This Economic Development Strategy should try to include goals and actions to increase availability of land for commercial and industrial purposes, provide ease in development, and attract additional businesses to the Rocky Mountain House area.

⁵ Municipal Affairs (2011) Assessment Profile – Town of Rocky Mountain House. Residential and Non-Residential Equalized Assessment 2008 – 2010.

SWOT Analysis – Community Investment Readiness Document- May 2010

CIR was an initiative from the Central Alberta Economic Partnership for member communities. Councillors, Town Administration and the Chamber were invited to participate in Phase III of the project in the spring of 2010.

Phase I and II of the Community Investment Readiness (CIR) project explored CAEP communities' level of readiness to respond to site selection and investment queries. The purpose of Phase III was to help members further increase their capacity to attract investment through their readiness to respond to inquiries by assisting member communities prioritize actions, plan and implement investment readiness strategies to enhance investment readiness in their individual communities. During Phase III, communities had a chance to fill out a brief survey on their readiness to proceed with the CIR project as well as to identify any needs not revealed during the first two phases of the project. Two workshops were then offered to provide information related to the project, but more importantly provided coaching related to business retention and expansion, site selection and community investment development (Appendix E). Following the workshops, sessions were held with CAEP communities to develop customized action plans based on the recommendations provided on the scorecard, the communities priorities related to investment readiness and resources available.

Through participation in Phase III, CAEP communities will be better positioned for CIR in the future. The action plan, which is based on community needs and resources, identifies realistic and attainable goals and can be used as a tool to increase your capacity to attract investment as well as retain and expand existing businesses in your community.

Strengths

- Affordable, abundant and good quality water supply
- Diverse retail base
- Diverse economic base and relatively stable
- No split mill rate (low rate)
- Excellent quality of life
- Location
 - “door step to the west country”
- Low off site levies and ability to defer for commercial/industrial development (until development occurs)
- Excellent education facilities
 - RDC satellite / Campus Alberta/ web-based
- Available rental accommodations
- Good healthcare system
 - full service hospital, well staffed clinic, primary care network, air ambulance
 - seniors lodge, Good Samaritan Society
- Major events
 - rodeo/pro chuckwagon races / Oilmen’s Bonspiel
- Changing of demographics

Weaknesses

- Need more involvement from business community
- Lack of public engagement
- Accessibility to businesses
 - downtown business (built on a hill)
 - highway businesses (lack of pedestrian access)
- Expensive land to develop or not able to develop because of soil base (muskeg)
- Lack of trail mapping (need more marketing)
- Hospital/Health Care

Opportunities

- Value-added wood manufacturing
- Water processing and bottling / brewery
- Food processing opportunities
 - meat packing /processing
 - 100 Mile Diet – sustainability initiative to eat locally
- Tourism
 - Rocky to Nordegg Trail
 - North Saskatchewan Park
 - Become a tourist “destination point”
 - First Nation pow wow (throughout summer)
- Main street on hill – recreational events
- Expansion of Recreation facilities
- Forestry / oil & gas – Rural Alberta business centre “cluster” opportunities

Threats

- Pine bark beetle
- Oil and Gas industry (non-renewable resource)
- Economic recession
- Unpredictable funding
- Changing demographics
 - different labour force
- Lack of expansion space (commercial/industrial)
- More offloading of provincial responsibilities to municipalities
- Cost of items within the community

Goal #2: Encourage Events and Attractions					
Actions Required	Additional Information /Resources Needed	Cost	Responsibilities		Measurable Results
			Who	When	
<p>Develop a Special Event Plan</p> <p>Provide Council the costs and benefits of doing events in our community</p> <p>Council give direction what role the Town of RMH plays in Events and boosting or developing attractions within the area.</p> <p>Hire part-time event coordinator for Town run events or to work with event organizers</p> <p>Partnering with key stakeholders and organizations</p>	<p>-staff time and funding</p> <p>Analyze opportunities for new attractions</p>	Time and money	<p>Town, County, Chamber of Commerce, Event organizations</p> <p>2-National Historic sites</p>	Ongoing	<p>Moving forward with partnerships in events, creating new ones</p> <p>Increased events and more attendance</p> <p>More tourists to the area</p> <p>new partnerships developed</p>

Goal #3: Develop a Mentorship Program					
Actions Required	Additional Information /Resources Needed	Cost	Responsibilities		Measurable Results
			Who	When	
Develop a mentorship network with local professionals and business leaders within the community to give advice to one another and to help start new businesses	Professionals and business leaders to develop a mentorship program	Staff Time	<p>-Tourism & Economic Development</p> <p>-Chamber of Commerce</p>	Jan 2012	Development of mentorship group as well as RABC operational and providing services to

Creation of a Rural Alberta Business Centre(RABC)	Staff Time Hire a new Business Advisor for RABC		-Clearwater County		the area Increase in business licenses
Goal #4: Develop a Business Attraction campaign to promote Rocky Mountain House					
Actions Required	Additional Information /Resources Needed	Cost	Responsibilities		Measurable Results
			Who	When	
<p>Investigate a Branding process</p> <p>Define what is being marketed Quality of life Business Environment Outdoors etc...</p> <p>Are we ready- infrastructure, land</p> <p>Town to investigate new ways to accommodate new businesses</p> <p>Promote Industry Opportunity Profiles</p> <p>Explore incentive packages</p> <p>Expand on the community video (web-based) new website design Utilize press and radio coverage</p> <p>Consult with County and Chamber Integrate community video - includes business testimonials</p>	<ul style="list-style-type: none"> - Advertising - Branding Consultant 	TBD	<ul style="list-style-type: none"> - Tourism & Economic Development Coordinator - Council - Admin -Ec. Development Board - Chamber of Commerce - Clearwater County 	Spring 2012	<p>Increased inquiries and website hits</p> <p>Increased development & businesses</p> <p>Increased population in the community and area</p>

Goal #5: Develop a unified regional economic development action strategy (Clearwater County, Rocky Mountain House and Caroline - CRC)					
Actions Required	Additional Information /Resources Needed	Cost	Responsibilities		Measurable Results
			Who	When	
<p>Identify a process to bring regional economic development topics to the table</p> <p>Identify staff vs council (Clearwater County, Rocky Mountain House and Caroline)resources required</p> <p>Prioritize topics and develop actions</p> <p>Determine responsibilities for each action item</p> <p>set timelines and determine measuring mechanisms</p>	-Consultant/moderator	TBD	<ul style="list-style-type: none"> - Admin - Reps for all CRC -staff involved with Economic Development 	2012	<p>An action plan in place with a unified list of regional priorities</p> <p>Measure completion of action items</p>

Goal #6: Improve tourism assets to enhance Rocky Mountain House as a destination					
Actions Required	Additional Information /Resources Needed	Cost	Responsibilities		Measurable Results
			Who	When	
<p>Determine what is our target market/customer</p> <p>Talk to existing tourism operators to determine their role in becoming a regional destination</p> <p>Facilitate existing and additional events that are tourism oriented</p> <p>Identify gaps/needs and prioritize depending on feasibility</p> <ul style="list-style-type: none"> - campground development - trails - North Saskatchewan River Park - Pow Wows - National Historic sites - North Saskatchewan River 	-Market Research	TBD (time/research)	Town CRC Province (own land)	Spring 2012	<p>Strategy in place to promote assets to key audience</p> <p>Local operators become more involved in the promotion of the area</p>

Goal #7: Create a Downtown to become central point for Community					
Actions Required	Additional Information /Resources Needed	Cost	Responsibilities		Measurable Results
			Who	When	
<p>Work with the Downtown Committee in developing storefront incentives</p> <p>Acquire concept drawings for infrastructure improvements for possible upgrades to happen when paving is done in next 3-5 years</p> <p>Encourage businesses to use architectural guidelines or a theme</p> <p>Obtain buy-in from building/land owners</p> <p>Downtown directional signage and way finding program</p>	<p>-Landscape Architectural Concept Designer</p> <p>-Needs assessment survey</p> <p>- Cooperation</p>	<p>\$50,000 concept</p> <p>BVI funding and TEDB Funding \$20,000</p>	<p>- Downtown Committee</p> <p>- Council</p> <p>- Planning</p> <p>- Economic Development</p>	<p>2012 (ongoing)</p>	<p>- No vacancy rate on main street</p> <p>- Appealing store fronts</p> <p>- Strong business community</p> <p>-new streetscape for main street</p> <p>-events in centre of Town</p>