



Rocky View County | Governance & Priorities Committee

December 3rd, 2019

Economic Development Opportunity

IN ROCKY VIEW COUNTY, ALBERTA

Fulton Industrial Park

August 5, 2015
Earthmoving Underway



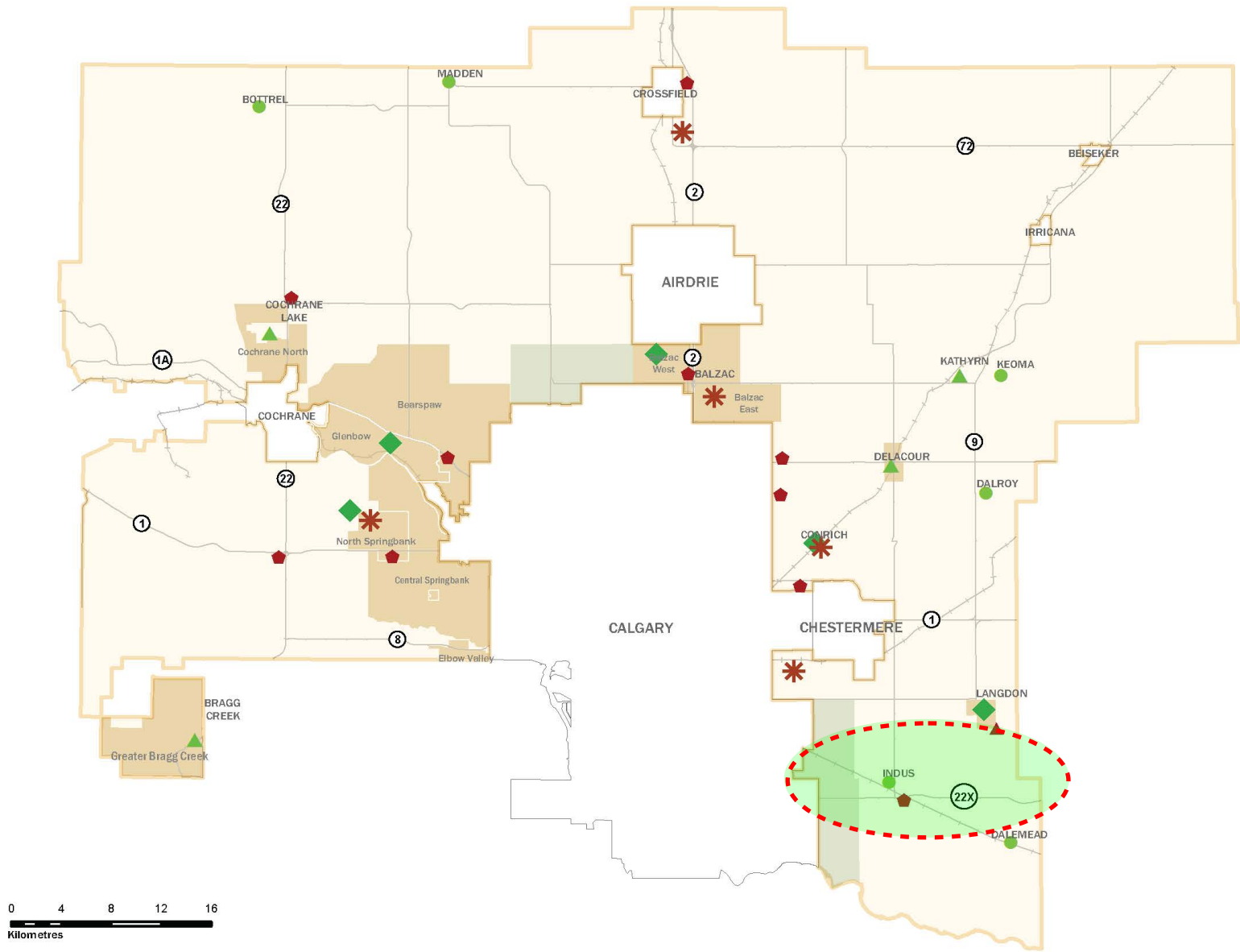
August 8, 2019
10-15 Businesses Located in Fulton Development



Opportunity Synopsis

- The Highway 22x Corridor holds significant economic development potential in Rocky View County
- Opening of the South West Ring Road will accelerate this potential
- The Fulton Industrial Development is a Catalyst for development of this Corridor
- The timing is optimal for Rocky View County to identify and prioritize this opportunity

The Highway 22x Corridor

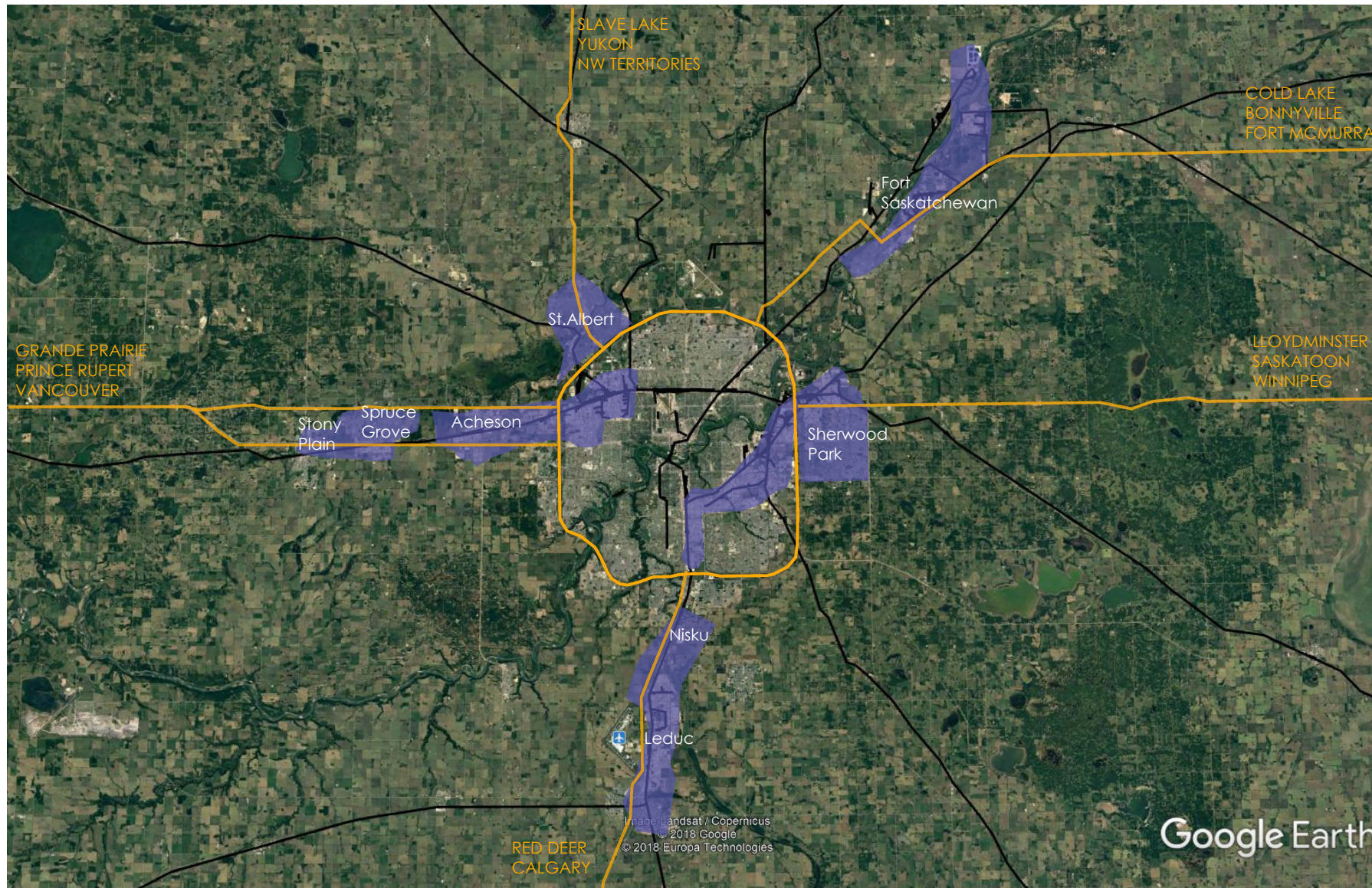


SUMMARY:

- Nearly identical development attributes as other successful rural development corridors in Alberta
- Hwy 22x is a primary commercial shipping route to, from and through Calgary
- Confluence of primery east/west highway (22x), north/south highway (791) and the CP Rail main line
- Under 10 minutes to the Ring Road, Hwy 1, Deerfoot Trail, 114th Ave and Glenmore Trail
- 10 minutes from Calgary's largest and fastest growing communities in the SE
- 10 minutes from Rocky View County's largest Hamlet of Langdon
- In an area of the County well suited to non-residential development

Rural Development Corridors

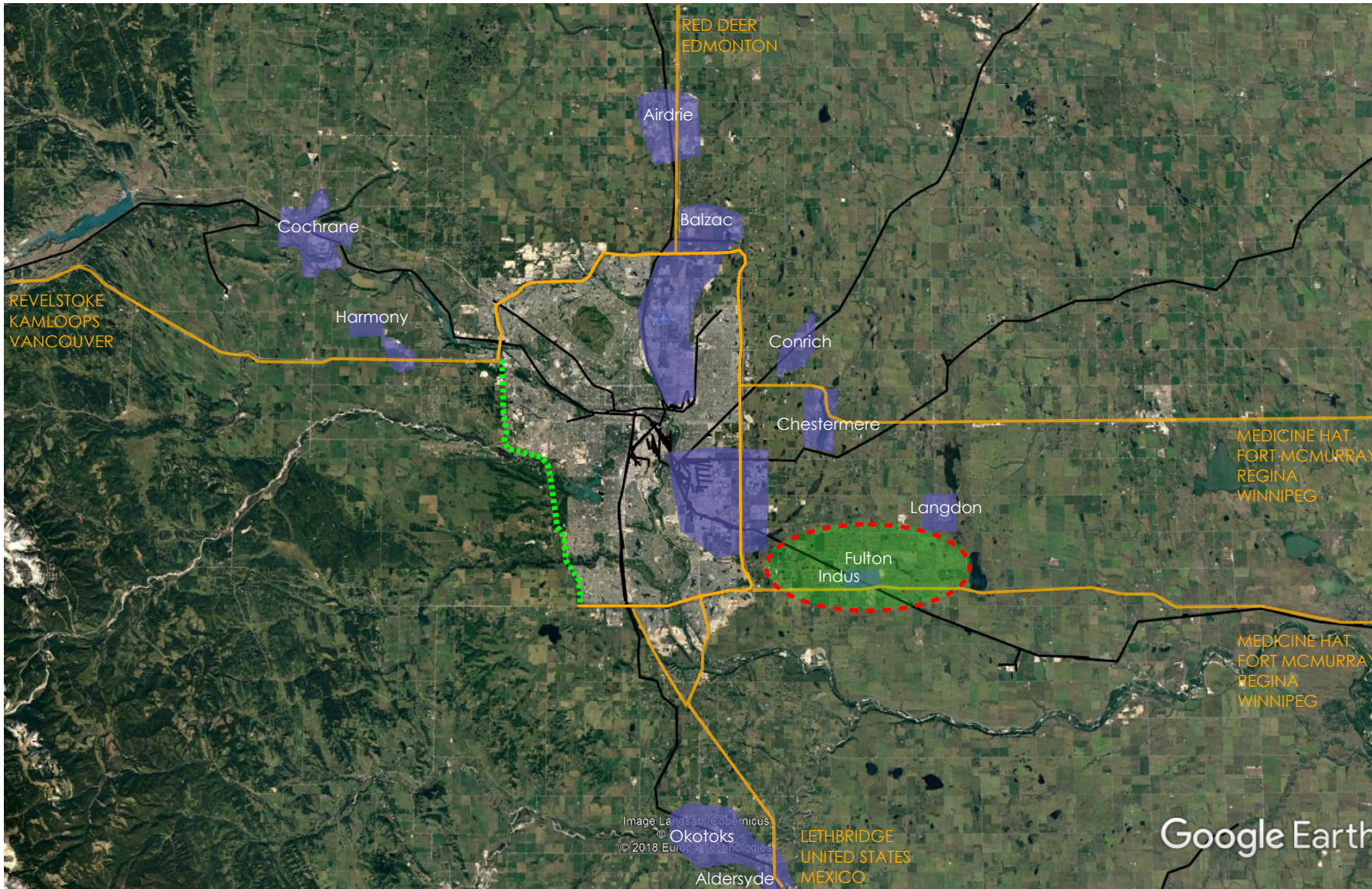
Development Corridors Around Edmonton



EDMONTON AREA DEVELOPMENT PATTERNS:

- Development follows primary commercial shipping routes out of major Cities
- Particularly along corridors that have combined road & rail routes
- This pattern has evolved further in Edmonton than it has in Calgary
- Edmonton Ring Road was completed before Calgary's
- It was forecast to carry 40,000 vehicles per day by 2020. It is already carrying 80,000 vehicles per day.
- This has accelerated the forces that draw commercial and industrial activity and development beyond City limits

Development Corridors Around Calgary

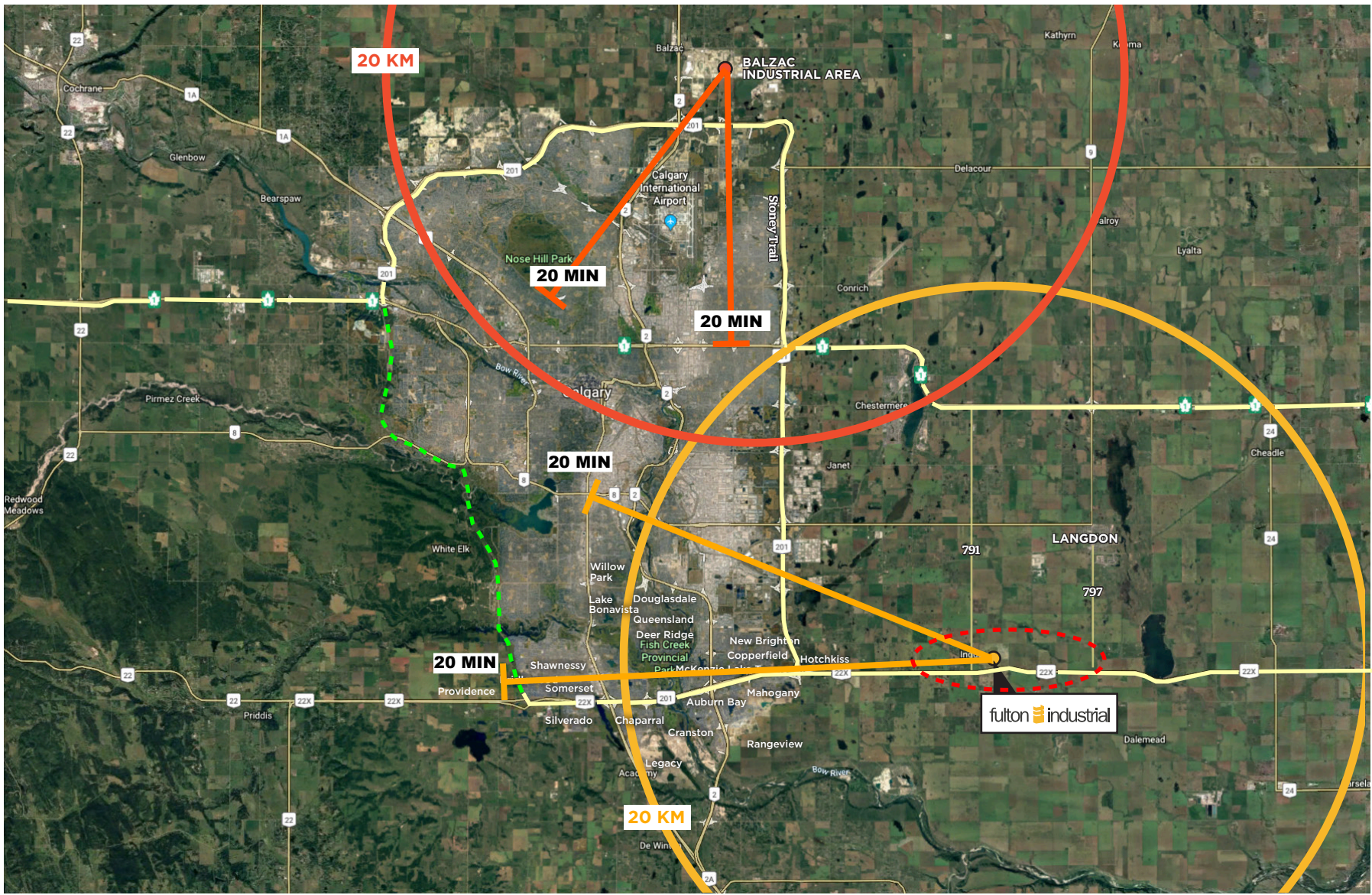


CALGARY AREA DEVELOPMENT PATTERNS:

- Inevitable growth outward from Calgary is only just beginning
- The only shipping corridors with combined road/rail routes near the City are Hwy 2 North and Hwy 22x East
- Calgary's emerging role as a distribution hub will be a key driver of this trend although not the only one
- The completion of the SW Ring Road will increase the strategic importance of the Hwy 22x Corridor
- The same forces that propelled Balzac will propel the Hwy 22x Corridor on completion of the SW Ring Road
- Rocky View County have anticipated this potential for years, but now there is a real opportunity to capitalize on it

Local Significance of the Hwy 22x Corridor

Proximity to the City of Calgary



LOCAL DEVELOPMENT CHARACTERISTICS:

- 10 minutes from SE Calgary
- 8 minutes from Ring Road
- 10 minutes from Calgary's primary industrial
- 10 minutes from fastest growing residential areas in Calgary
- 10 minutes from Langdon
- Confluence of major transportation routes and Railway
- 20 minutes drive time in the South East offers increased range that covers most of South Calgary

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Comparative Travel Times

Average Drive Times

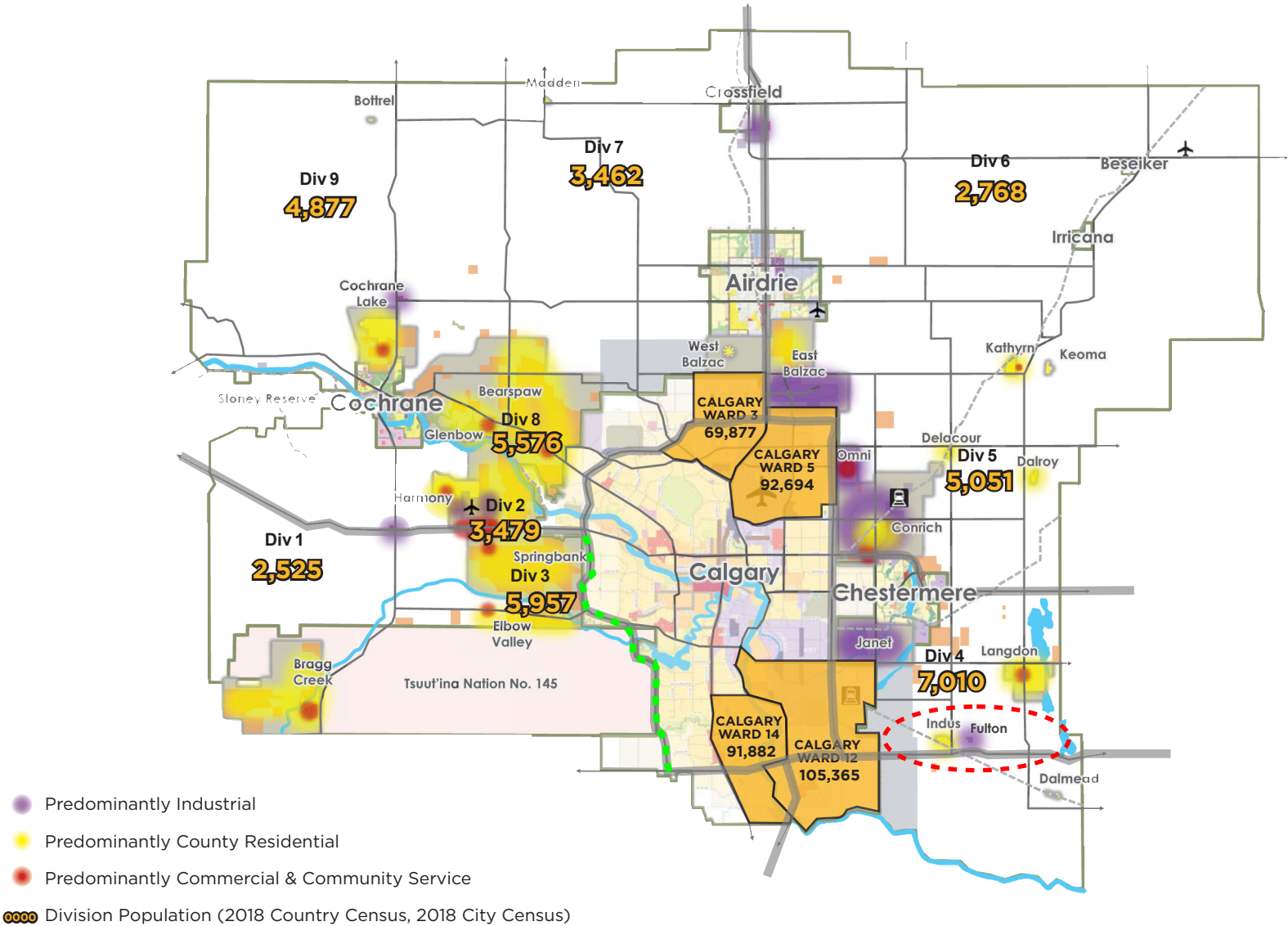
INDUSTRIAL AREA	NEAREST RESIDENTIAL COMMUNITIES		NEAREST C-TRAIN STATION	STONEY TRAIL RING ROAD	CALGARY AIRPORT	FOOTHILLS INDUSTRIAL PARK	CN RAIL YARD	CP RAIL YARD	DOWN-TOWN CORE
BALZAC Rocky View County (\$450k - 650k/acre)	Airdrie, AB (10min)	Redstone NE (10min)	14 min 160 Ave N Station (Planned)	8 min	17 min	27 min	32 min	28 min	29 min
CONRICH Rocky View County (\$500k - 600k/acre)	Coral Springs NE (10min)	Falconridge NE (10min)	19 min McKnight Blvd. Station	8 min	24 min	18 min	0 min	21 min	27 min
FULTON Rocky View County (\$350k - 400k/acre)	Langdon, AB (10min)	Mahogany SE (11min)	11 min Mahogany Station (Planned)	8 min	38 min	15 min	20 min	19 min	33 min
SHEPARD City of Calgary (\$450k - 550k/acre)	New Brighton SE (11min)	McKenzie Towne SE (11min)	14 min South Hill Station	6 min	31 min	12 min	17 min	12 min	29 min
FRONTIER / JANET 84TH STREET Rocky View County (\$450k - 550k/acre)	Erin Woods NE (7min)	Dover Glen NE (10min)	12 min Lynwood Millican Station	2 min	32 min	8 min	12 min	11 min	21 min

LOCAL DEVELOPMENT CHARACTERISTICS:

- Similar travel time metrics to most established industrial areas
- Superior proximity to east/west shipping routes
- Superior proximity to south east Calgary industrial areas
- Superior proximity to residential population
- Directly supports economic growth and development in both Langdon and East Rocky View

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County Planning Considerations



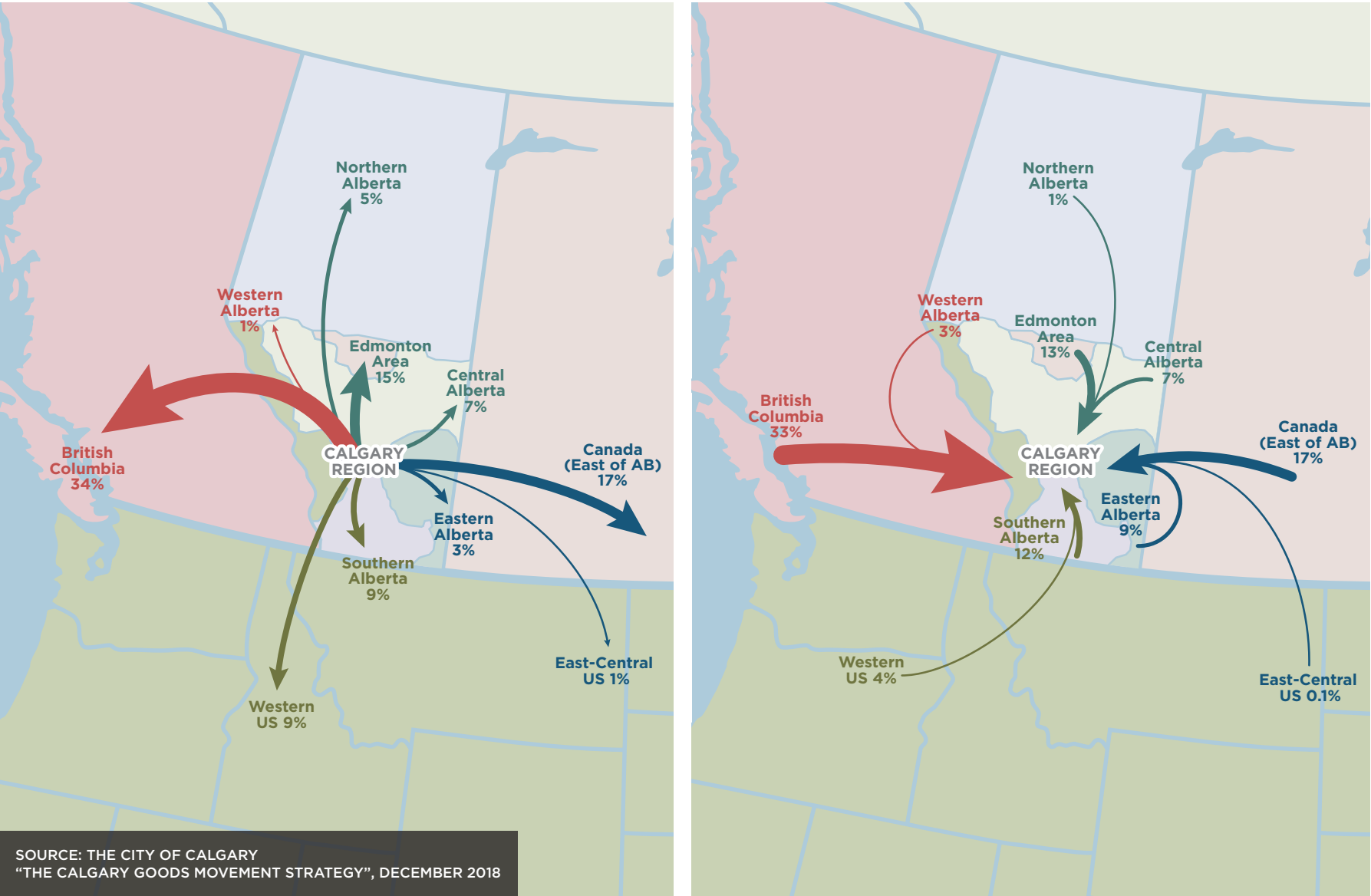
LOCAL DEVELOPMENT CHARACTERISTICS:

- **WEST:**
Country Residential and commercial focus
- **NORTH (EXCLUDING BALZAC):**
Hamlet residential and agricultural with Crossfield Industrial
- **NORTHEAST:**
Balzac/Conrich establishing as a commercial and industrial hub
- **EAST:**
Mixed considerations (City of Calgary, City of Chestermere, industrial commercial, residential, agricultural)
- **SOUTHEAST:**
Emerging potential as major economic development corridor in proximity to the County's largest Hamlet (Langdon) and the City's biggest and fastest growing Wards

Regional Significance of the Hwy 22x Corridor

Primary Corridors for Goods Entering and Exiting Calgary

Long-distance Truck Trips Outbound from Calgary (left) and Inbound to Calgary (right)

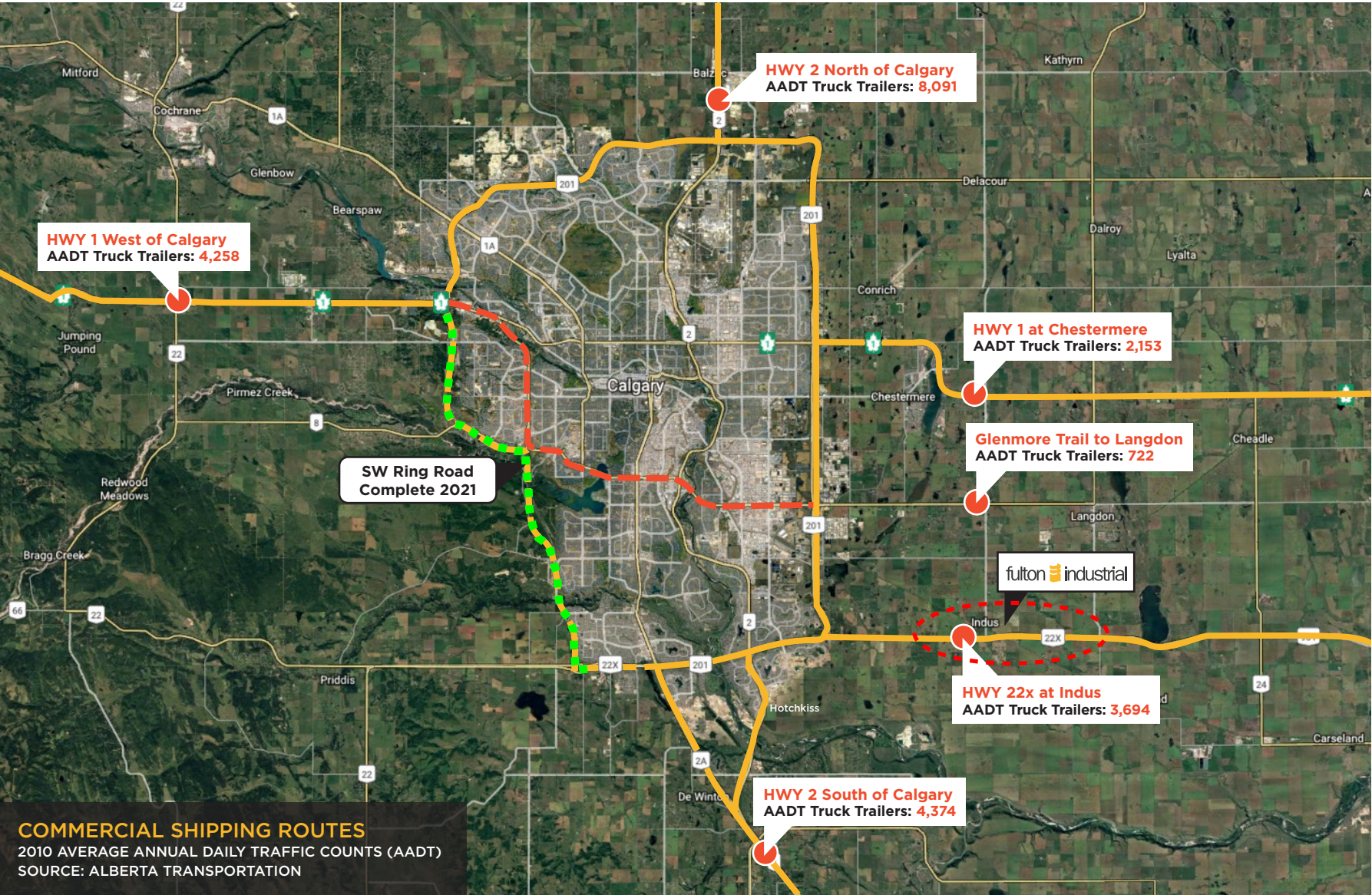


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LONG DISTANCE TRUCKING CORRIDORS & VOLUMES:

- 36% is west of Calgary
- 24% is north of Calgary
- 24% is east of Calgary
- 17% is south of Calgary
- **60% is EAST / WEST**
- Calgary's emergence as a distribution hub will accelerate trade in all directions
- Limited potential for industrial development west of Calgary makes areas with good access to the ring road and east/west regional routes highly strategic
- The Ring Road was envisioned as part of this larger east-west trade corridor

Primary Commercial Shipping Routes

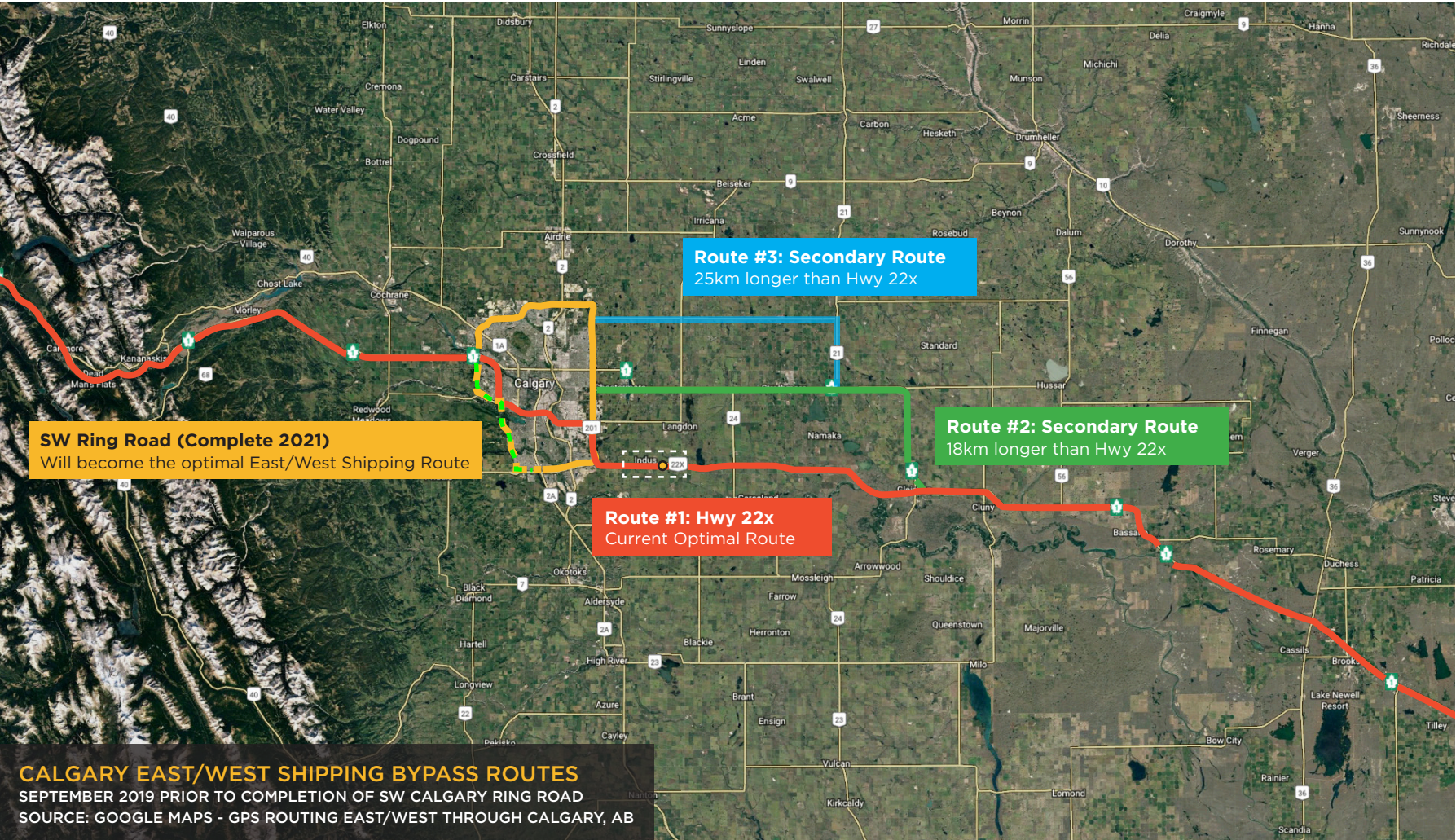


PRIMARY COMMERCIAL SHIPPING ROUTES:

- Hwy 22x has carried up to 75% more commercial truck traffic than Hwy 1 historically
- Glenmore Trail is a local route, not a shipping route (especially east of Hwy 791)
- Opening of the North Ring Road shifted this pattern temporarily in 2009
- Completion of SW Ring Road in 2021 will solidify Hwy 22x as the primary east/west commercial transportation route

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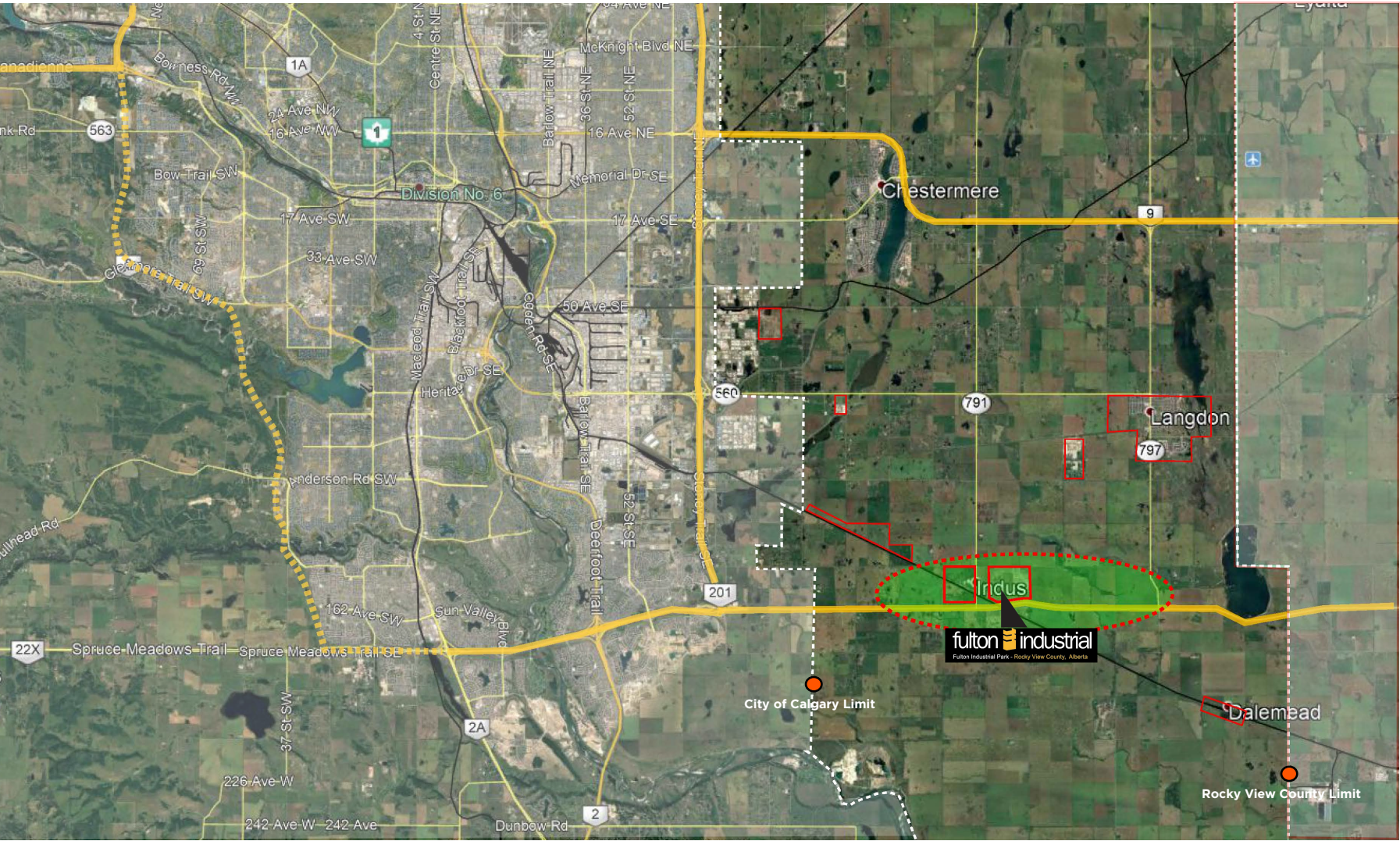
Alignment of the TransCanada Highway



HWY 22x IS THE OPTIMAL EAST-WEST ROUTE:

- Hwy 1 east of Calgary travels southwest in alignment with Hwy 22x
- For east/west transport, Hwy 1 through Strathmore and Chestermere is a detour that terminates into the east side of Calgary
- The most efficient bypass route for distance, travel time and fuel is Hwy 22x
- GPS map the optimal route from Vancouver to Regina or Winnipeg. Even before the SW Ring Road Hwy 22x is the recommended route.
- The SW Ring Road will significantly enhance the commercial importance of this route

The Highway 22x Growth Corridor



COUNTY PLANNING CONSIDERATIONS:

- Consider the scale of activity occurring in Balzac
- Consider the pace of development in SE Calgary
- Consider similar patterns played out in Acheson, Leduc, Nisku, Strathcona
- Consider the development fundamentals of this corridor (primary transport route, rail route, proximity to City & County residential areas)
- Consider synergy and related benefits to the communities of Langdon and Indus
- Consider the development investments occurring elsewhere along this corridor (S.Calgary, Tsuut'ina)

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The Rocky View Advantage

FULTON INDUSTRIAL PARK VS. CITY OF CALGARY

Industrial Property Cost Comparison

Summarized from report prepared by Nichols Applied Management August 2017

Capital Costs	CITY OF CALGARY	FULTON INDUSTRIAL
Land Cost (10 acres)	7,500,000	3,500,000
Building Cost (30,000 square feet)	5,100,000	5,100,000
TOTAL CAPITAL INVESTMENT	12,600,000	8,600,000
SAVINGS: Fulton Industrial (\$)		\$ 4,000,000
SAVINGS: Fulton Industrial (%)		32%

Operating Costs	CITY OF CALGARY	FULTON INDUSTRIAL
Taxes		
Property Tax (2019)	277,473	97,447
Tax Rate (2019)	2.2022%	1.1331%
Utilities		
Electricity - Utility Costs	30,600	30,600
Electricity - Calgary Franchise Fee	3,400	-
Gas - Utility Costs	10,800	10,800
Gas - Calgary Franchise Fee	1,200	-
Water / Wastewater / Drainage	2,300	9,100
TOTAL OPERATING COST PER YEAR	325,773	147,947
<i>Total Operating Costs Per Square Foot</i>	<i>\$ 10.86</i>	<i>\$ 4.93</i>
SAVINGS: Fulton Industrial (\$ per sq.ft.)		5.93
SAVINGS: Fulton Industrial (\$ per year)		\$ 177,826
SAVINGS: Fulton Industrial (% per year)		55%

For a 30,000 sq.ft. facility on 10 acres
locating in Fulton Industrial Park saves you:

\$4,000,000

or 32% in upfront in Capital Costs

Plus!

\$177,826

or 55% per year in Operating Costs
(save \$5.93/sq.ft. in Annual Op Costs)

To receive the full report prepared by Nichols Applied Management,
Contact Brad Chorley at brad@resland.com or 403.242.6002

fulton industrial

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A map of the Rocky View area, highlighting the Taza development. The map shows Taza Park (red), Taza Crossing (green), and Taza Exchange (teal). It also shows surrounding trails like Sarcee Trail, Glenmore Trail, and Tsut'ina Trail, and roads like Anderson Road and Calgary Ring Road. A north arrow and a circular inset map of Calgary are also present.

MARKETING ROCKY VIEW COUNTY

- Protecting the Rocky View Advantage is Critical
- Cost competitive, common sense governance, efficient decision making, business friendly reputation
- Rocky View is well positioned to compete for non-residential development
- New options are emerging as cost competitive alternatives to locating within the City

fulton industrial

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