

## **CITY OF PRINCE ALBERT**

Prince Albert is the third largest city in Saskatchewan situated on the banks of the North Saskatchewan River, between the agricultural southern area of the province and the forested lake land and mineral belt in the northern portion. The city is known as the “Gateway to the North” as it is the last major centre on route to Saskatchewan’s northern resources. According to Statistics Canada, Prince Albert’s population rose 2.3% from 35,129 residents in 2011 to 35,926 in 2016.

The economic base for the city is a mixture of government, forestry, tourism, agriculture, and mining. The largest employer in the city is government health care and public administration employing about 29% of the workforce as of 2017. Prince Albert is a provincial administration centre for the north. The Prince Albert Parkland Health Region became part of the Saskatchewan Health Authority in 2017 and contributes to 17% of jobs in the labour force. There are two provincial correctional centres plus related youth camps along with a federal maximum security prison.

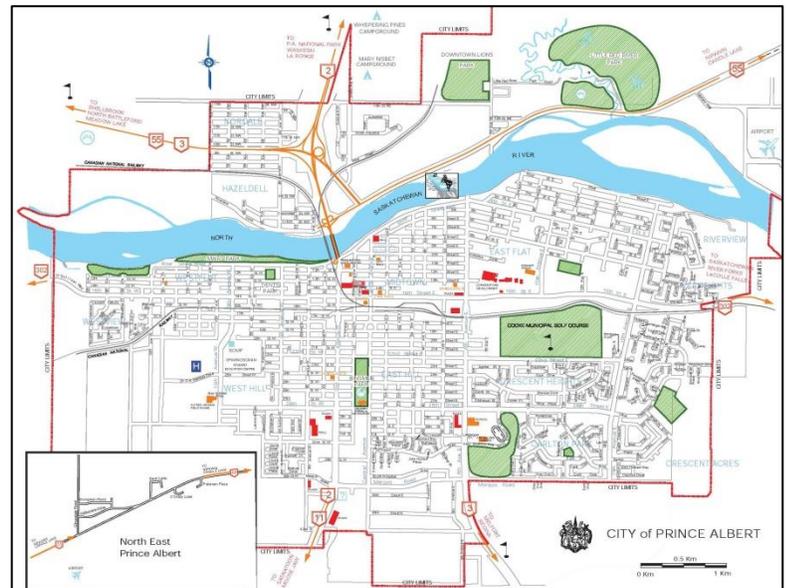
## **TRANSPORTATION**

Prince Albert is the junction and main river crossing of four major highways including #2 which runs north / south between Moose Jaw and La Ronge, #3 running east / west between the Manitoba and Alberta borders, #11 going south to Saskatoon and Regina, and #55 leading both to the north westerly quarter of the province and to the north easterly quarter.

Additional transportation facilities include two rail lines, over 15 trucking firms and a local bus transit service. Since the closure of STC Bus Lines, private bus charters have provided additional transportation services to destinations outside the city. Communication services include two radio stations, two TV stations, cable TV service and a daily newspaper. TransWest Air, Pronto Airways and West Wind Aviation provide regular north/south flights into the north of the province and south to national and international connections at Saskatoon and Regina. There are a number of air charter companies based in the city that provide services to the resource and recreational developments to the north. The Prince Albert Airport underwent a \$6 million upgrade in 2012 to increase its capabilities and infrastructure.

The twinning of Highway #11 to Saskatoon was completed in 2013 significantly increasing access between the two cities. Saskatchewan Highways reported an annual average daily traffic volume of approximately 87,000 in 2016 between Saskatoon and Prince Albert.

## CITY MAP



## RESOURCES

The forestry industry is showing some effects of low demand for lumber and pulp. In April of 2006, Weyerhaeuser Canada Ltd. closed its pulp and paper mill, which resulted in a loss of 700 direct jobs in the city. Paper Excellence announced the purchase of the mill in 2011 with a plan to invest two hundred million dollars to convert the mill into a dissolving pulp facility. According to local news sources in 2016, this development is set to begin preparations in 2018. The mill is projected to become fully operational by 2020, and will employ approximately 250 people. Two buildings deemed redundant were demolished in 2016.

One of the world's largest known diamond bearing kimberlite deposits is located, in the Fort a la Corne area, 65 km east of Prince Albert. A revised resource estimate completed in 2015 projects that the kimberlite field contains an estimated 393 tonnes. According to the CEO of Shore Gold, the combined Star and Orion Diamond project contains some 55.4 million carats of diamonds worth \$11.6 billion. They have supplied mining proposals to build two mines in the area – Orion South and Star West. The mines are predicted to become fully functional following a sampling program in 2018, with the mines expected to employ approximately 400 people.

## CONSTRUCTION

The level of construction is a good measure of economic activity. The total value of building permits in 2017 was \$58,942,500 on 269 permits, which indicates an increase in the value of permits granted in 2016. In 2016, the total value of building permits was \$41,713,000 on 268 permits, a roughly \$17.2 million dollar difference. Contributors to this significant value change included the construction of a new four storey luxury hotel in West Hill, continued rehabilitation of the Diefenbaker Bridge and expansion on existing infrastructure.

Springwood Cornerstone is an 80 acre shopping centre comprised of more than 550,000 square feet developed in 4 phases starting in 2005. Cornerstone's anchor tenants include Wal-Mart, Rona, Michaels,

Best Buy, JYSK, Staples, Prince Albert Co-op Food store and Shoppers Drug Mart. Other retailers include Warehouse One, Scotiabank, Tim Horton's, Reitman's, M & M Meat Shop, Dollarama, Booster Juice, RBC, BMO, TD Bank, Pet Valu and more. Save-On Foods opened in 2017. Princess Auto has announced the construction of a 25,000 square foot location slated to open in 2018. The Springwood Cornerstone development has become a retail destination for the residents of Prince Albert and its surrounding communities. A wide variety of available services and plans for future expansion have created a new central location in the city.

The relocation of Walmart and Payless into the Cornerstone enabled the South Hill Mall to renovate to accommodate Winners, Good Life Fitness and a six-screen Galaxy Cinemas theatre. On 2nd Avenue West, Canadian Tire expanded their store in 2011, and a Holiday Inn Express was built on a portion of the former Imperial 400 site. A Montana's restaurant opened on 2<sup>nd</sup> Avenue West in 2015.

The construction of a new Giant Tiger store commenced in 2016 on the site of the former Holy Family Hospital and opened in 2017.

The 2<sup>nd</sup> Avenue West underground utility replacement and the Diefenbaker Drive Bridge reconstruction commenced in 2015 and were completed in 2017.

Land south of Prince Albert, along Highway 2, was rezoned by the city to accommodate the construction of a new Farm World building in 2013. Further development planning is proposed for additional highway commercial and industrial businesses along this corridor.

The Government of Canada and the Province of Saskatchewan, along with the Canadian Mental Health Association (CMHA) Prince Albert Branch, announced funding for the construction of an eight-unit rental housing project in 2016. The project consisted of eight one-bedroom rental units in two four-plexes for individuals with complex needs. The properties are located at 581 and 585 7th Street East. The Federal and Provincial Governments, through CMHC and SHC, jointly contributed \$900,000 towards the project.

A new long-term care facility for the Prince Albert Parkland Health Region was opened in 2014. The \$22.7 million facility is adjacent to the Victoria Hospital and has replaced Pineview Terrace Lodge. The facility includes five interconnected houses, each with 12 private bedrooms and common areas. The Ronald McDonald House also expanded to include a family area in the Victoria Hospital in 2016.

Construction on Prince Albert Parkland Health Region's \$1.9 million housing complex for health care students, locum physicians and visiting health professionals was completed in July 2017. Dr. Tom Smith-Windsor House consists of 21 suites and apartments and replaces prior accommodations near the former Pineview Terrace Lodge.

## **REAL ESTATE**

The CMHC Rental Reports of October 2017 indicates that the average rent is \$855/month, up from \$837/month in 2016. Vacancy rates increased from 5.3% in 2016 to 6.0% in 2017. Overall, the apartment

market is stable. There has been no new construction for a number of years. Vacancy rates have increased due to high turnover rates, an increase in asking rental rates and a decrease in housing market prices.

CMHC VACANCY RATES									
APARTMENT STRUCTURES OF THREE UNITS OR MORE									
Survey Date	Oct 2017	Oct 2016	Oct 2015	Oct 2014	Oct 2013	Oct 2012	Oct 2011	Oct 2010	Oct 2009
Vacancy	6.0%	5.3%	5.9%	8.8%	10.3%	6.0%	3.0%	3.8%	2.4%

Real estate sales activity is another indication of economic activity. The PA District Association of Realtors' MLS® service reports sales volumes of \$180.5 million in 2015 and \$109.3 million in 2016. In 2017, the sales volumes decreased to \$101.1 million of which approximately 90% of total sales were residential, a similar ratio as previous years.

The average house sale price in 2017 was \$225,183, down from \$241,882 in 2016. The average house price is the total sale price of all residential sales over the year divided by the number of sales. The residential housing market has declined slightly due to weakening economic conditions in 2016 that affected housing incomes. The number of new listings from 2016 to 2017 was very similar. The softening of the Prince Albert housing market has created an advantage for buyers.

Available industrial land at the southern edge of the city is currently priced at \$350,000/acre to \$400,000/acre. Sites over 3.0 acres in size sell at lower per acre prices. A new land tender in the area was released in 2015. The supply of serviced industrial land in the Marquis Area was nearly fully exhausted in 2007. The other industrial land is in the North subdivision where there is limited sewer servicing and the price is \$83,000/acre. The new Green Energy Industrial Park has been underway near the airport since 2011 and is currently priced at \$176,000/acre. In late 2017, the City of Prince Albert had approximately 19 acres of land available for tender along Highway #55 near the northwest corner of the airport.

## **TOURISM**

The tourism sector has always played a part of the economy due to the proximity of the parkland and lakes such as the Prince Albert National Park. Prince Albert and the surrounding region feature 20 golf courses. The City has numerous festivals throughout the year including a large winter festival. The SIGA Northern Lights Casino has been a major tourist draw since its construction in 1998. The Diefenbaker House, three large museums, art galleries and other historic sites provide insight into Prince Albert's culture and history. The Kinsmen Water Park re-opened in 2015 and attracts visitors in the summer months.

In 2017, the Prince Albert Downtown Business Improvement District (PADBID) launched the "Find Your Place Downtown" project to direct people to and identify historic, cultural, and social centres in the City of Prince Albert and the region. Art work and images depicting local history and culture throughout downtown Prince Albert and on major roadways are meant to direct residents and visitors to attractions and destinations.

## **DOWNTOWN**

In 1999, the City completed a large-scale purchase of downtown land and buildings between First and Second Avenue West from River Street to 12th Street. The E.A. Rawlinson Centre was the first facility constructed in the long-term rejuvenation plan for the area. Two historic bank buildings on Central Avenue received major renovations in the last five years. One was developed as law offices and the other as a diamond cutting facility. Many of the main branches of the major financial institutions have recently relocated from Central Avenue to the big box location at the Cornerstone development.

As part of the ongoing downtown strategic plan, properties within the approved Enterprise Zone can receive incentives such as property tax abatements, rebate of development permit fees and business license incentives. The zoning bylaw amendment removed barriers to retail stores and restaurants which lessen vacancy and attract residents to the downtown.

Mainstreet Prince Albert continues to move forward with the revitalization of Prince Albert's historic downtown. The Prince Albert Downtown Business Improvement District (PADBID) revitalization initiative offers to cover 50% of the cost for downtown businesses to upgrade the exterior façades of their property.

## **EDUCATION**

There are a number of post-secondary educational institutions in Prince Albert. The largest is the Woodland Campus of Saskatchewan Polytechnic. Others include the Sask. Indian Institute of Technologies (SIIT), the Gabriel Dumont Institute (SUNTEP), the National Aviation College, and the Academy of Learning, a private vocational school. The First Nations University of Canada occupies the first and second floor of the old Eaton's building at 1301 Central Avenue.

## **SUMMARY**

Despite the closure of the Weyerhaeuser pulp and paper mill, which could have been an economic blow for a community of this size, the economy of the City of Prince Albert and surrounding area remains relatively stable, with modest growth in the population. The value of building permits was up in 2017 due to increased commercial development. Residential construction has slowed and house prices are declining as the economy re-stabilizes. While apartment vacancies increased over 2017, rents also increased. There are positive economic factors - diamond mining, uranium mining and an expanding industrial market, that have more than offset the pulp mill closure and provided diversification. While there have been repeated delays in the re-opening of the mill, Paper Excellence continues to report it will be fully operational by 2020. There is continued interest in retail development in the City as well, illustrated through the continued development of Cornerstone.