

## **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 approximately 29% of the workforce in 2019. Prince Albert is a provincial administration centre for the north. The Prince Albert Parkland Health Region became part of the Saskatchewan Health Authority in 2018 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.

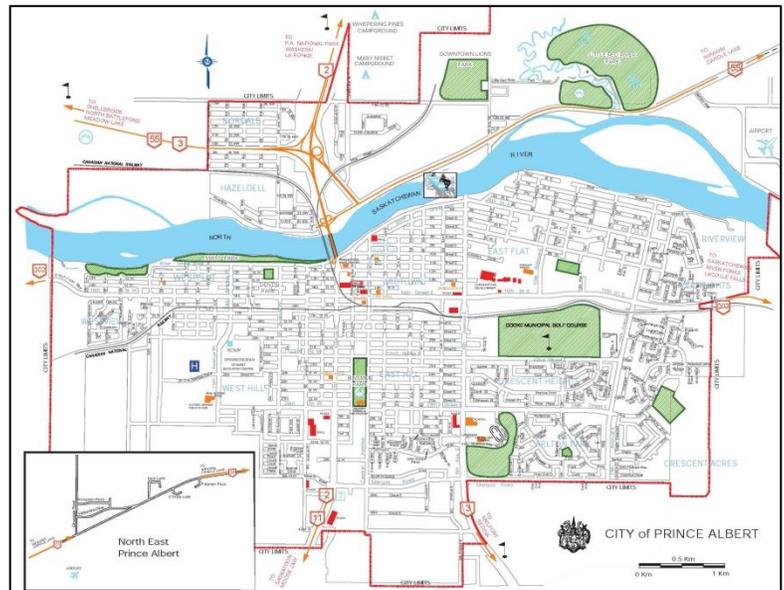
## **TRANSPORTATION**

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

Additional transportation facilities include two short line 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 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 some air charter companies based in the city that provide services to the resource and recreational developments to the north.

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 95,000 in 2018 between Saskatoon and Prince Albert. Saskatchewan Highways has not released the 2019 annual average daily traffic volume report to date.

## 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 February 2019, the facility is still seeking proposals for infrastructure upgrades. The mill is anticipated to begin upgrades following an engineering study and the expiration of a non-compete clause with Domtar in 2021. The facility would employ approximately 250 people when operational. Two buildings deemed redundant were demolished in 2017. To date, Paper Excellence has not released any further information regarding the re-opening of the pulp and paper mill or the potential of turning part of the plant into a clean energy producer.

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. This kimberlite field is estimated to contain approximately 393 tonnes. According to the CEO of Star Diamond Corp., 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 the completion of a partnership agreement with Rio Tinto Exploration Canada and final approval from the first nations. The mines are expected to employ approximately 700 people when fully operational.

## CONSTRUCTION

The level of construction is a good measure of economic activity. The total value of building permits as of December 2019 was \$30,536,400 on 206 permits. Prince Albert is on par with other cities in the province with a steady decline in the value of permits granted since 2013, which was a record year for construction. In December 2018, the total value of building permits was \$50,130,000 on 246 permits, a roughly \$22.6 million difference. The difference in building permit values in 2019 can be attributed to the significant decline in new residential and multi-family construction. The re-introduction of PST on construction services by the

provincial government and the overall slowdown in the resource-based industry were considered factors.

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 completed the construction of a 25,000 square foot location that opened in 2018. A Co-op Liquor Store also opened in late 2018. Sleep Country opened its doors in 2019. 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, expanded the City's retail trade area, and stopped the outflow/bypass of retail shoppers to larger cities.

The 2<sup>nd</sup> Avenue West underground utility replacement and the Diefenbaker Drive Bridge reconstruction commenced in 2015. The bridge reconstruction was complete in late 2017, while infrastructure upgrades on 2<sup>nd</sup> Avenue were completed in 2019. The new above-ground water reservoir and pumphouse was completed in November 2019. The new 15-million-litre water reservoir was constructed next to the one at the city's water treatment plant along River Street to expand the City's water capacity levels. In late 2019, the City of Prince Albert approved the construction of the Marquis Road extension, which would circle the southwest corner of the city connecting Marquis Road with 10th Avenue West. The new arterial road is anticipated to attract major development in the West Hill area, as well as reduce traffic on 6<sup>th</sup> Avenue West. Construction is estimated to cost approximately \$4.7 million and is expected to begin in the summer of 2020.

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. The Rose Garden Hospice is a proposed new 10-bed hospice anticipated to begin construction in Spring 2020. The facility will be the second of its kind in Saskatchewan and will be located on the corner of Marquis Road and 4th Avenue West. In early 2020, the Saskatchewan government announced \$300 million in funding to expand the Prince Albert Victoria Hospital. The proposed multi-story addition will add 70 new beds, an acute care tower, a larger emergency department, an MRI, a helipad and replace the existing adult mental health unit.

In September 2019, the federal and provincial governments approved joint-funding for a new \$60 million recreational centre in Prince Albert. The facility will house two ice rinks with seating for 800 spectators each, and an aquatic centre. The new facility is expected to take approximately two years to construct and will replace the existing Dave G. Steuart Arena and the Kinsmen Arena.

## REAL ESTATE

The CMHC Rental Reports of October 2019 indicate that the average rent is \$880 per month, which is similar to the \$870 per month reported in 2018. Vacancy rates remained the same in 2019 at 7.6% as compared to 2018. Overall, the apartment market is stable. New multi-family construction in 2018 included a four-story, 24-unit condominium and a six-unit complex on 7<sup>th</sup> Street East for individuals with mental health concerns. Vacancy rates have increased in previous years 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 2019	Oct 2018	Oct 2017	Oct 2016	Oct 2015	Oct 2014	Oct 2013	Oct 2012	Oct 2011
Vacancy	7.6%	7.6%	6.4%	6.2%	5.8%	8.2%	9.2%	5.6%	2.5%

Real estate sales activity is another indication of economic activity. The Saskatoon Region Association of Realtors' MLS® service reports sales volumes of \$82.5 million in 2019 and \$81.4 million in 2018. Sales volumes from February 2019 to February 2020 have decreased by approximately \$840,000 year-over-year of which approximately 92% of total sales were residential, a similar ratio as previous years.

The average house sale price in 2019 was \$222,361, down from \$232,117 in 2018. 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 is recovering from the weakening economic conditions seen in 2016 that affected housing incomes. The number of new listings from 2018 to 2019 has declined slightly. 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 per acre. Sites over 3.0 acres in size sell at lower per acre prices. The supply of serviced industrial land in the Marquis Area was nearly fully exhausted in 2007. The other industrial land is in the North Industrial subdivision, where there is limited sewer servicing, the price is approximately \$84,000 per acre. Fully serviced lots in this area are priced at approximately \$203,000 per acre. The Green Energy Industrial Park has been underway near the airport since 2011 and available lots are currently priced at approximately \$176,000 per acre. In 2019, 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 in 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 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. Artwork 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 and the former First Nations University on 11<sup>th</sup> Street West received major renovations in the last five years. Two were developed into office space 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, development permit fee rebates, 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 several 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. The Forestry Centre was purchased by the University of Saskatchewan in 2018 to establish a campus in Prince Albert. The University of Saskatchewan recently announced that the new campus will open September 2020.

## **SUMMARY**

The economy of the City of Prince Albert and the surrounding area remains relatively stable with modest growth in the population. Although the value of building permits in 2019 was significantly less than in 2018, the City has major commercial projects set to begin in 2020, indicating a stable market for commercial development. Residential construction has slowed and house prices are stabilizing as the economy improves. Apartment vacancies and rents in 2019 remained the same from 2018. 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. There is continued interest in retail development in the City as well, illustrated through the continued development of Cornerstone. The effects of the COVID-19 pandemic on the economy are difficult to predict. At present, it is too early to forecast how values may be affected, but it may be likely that market demand could soften in the short term.