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**REPORT NAME**

Economic Development Monthly Update for February 2025

**RECOMMENDATION**

The Governance and Priorities Committee receives the Economic Development Update Report for February 2025 as information.

**IMPLICATIONS**

**Reason:** Administration is updating Council on Leduc County's Economic Development activities in February 2025

**Authority:** (MGA section/bylaw/policy number): 2022-2025 Strategic Plan

**Amount of funding required:** n/a

**Funding source:** n/a

**BACKGROUND**

Leduc County's economic development activities align with the Council's strategic vision and expectations through the 2022-2025 Strategic Plan and the Leduc County Investment Strategy.

**ACTIVITIES AND CONNECTIONS****Business and Entrepreneur Centre (BEC) Events**

- New - Psychology Services operating out of micro-offices
- New - *Rise Coffee Shop* expects to open soon in the Business Entrepreneur Centre (BEC)  
*Rise Society - support services for intimate partner violence counselling and prevention*
- BEC Signs – New - Blue Highway 2 and local directional Signage  
Installation: March 2025 (text change “Business Entrepreneur Centre” from “Nisku Recreation Centre”)  
- Signs purchased through the 2024 grant
- Agriculture Tourism Session – 30 participants  
Regional food, agriculture, and tourism businesses gathered for a regional strategic planning session

**Business Retention and Expansion program**

*“Tariff Talk” - Joint event led by the Chamber of Commerce in partnership with Leduc County, the City of Leduc, YEG Airport and primarily the surrounding industrial areas to address and share actionable items.*

- To be an “actionable information” event.
- Location will be at the Business and Entrepreneur Centre (BEC) on the morning of March 21, 2025

Inquiries through the business website ([leduccountybusiness.com](http://leduccountybusiness.com))

- *Home-based permitting requirements.*

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**Submitted by:** Brad White, Manager, Economic Development

**Reviewed by:** Alan Grayston, General Manager - Development and Community Services

**Date:** 03/04/25

- *Expansion questions*
- *Land/building inquiries from new businesses*
- *BEC requests for use of event or board room space*

**NON-RESIDENTIAL REGIONAL CONDITIONS**

The economic team continues to engage developers and brokers directly. The region's industrial market expects continued demand from local, national, and international users seeking lower costs compared to markets in Canada, with the County offering substantial property tax savings compared to the region.

**Nisku Real Estate (Feb 25, 2025):**

- 35 – Nisku industrial properties for sale
- 6.6% average cap rate  
*(property will generate a net (total minus operations) operating income equal to (6.6%) of the property's value.)*
- \$5.7M average asking price
- 23,000 Square Foot average floor size available
- \$264 average price per Square Foot

Vacancy in the Leduc County/Nisku industrial submarket (distinct characteristics that influence demand) is 6.5% and has decreased by 0.3% over the past 12 months. Meanwhile, the broader market saw vacancies decrease by 0.1%.

Rents are around \$13.60/SF, a 3.9% increase from a year ago. In the past three years, rents have increased 15.8%. This is a moderately more expensive submarket than the broader Edmonton market, with average rents of \$12.70/SF. Tax rates, economic corridors, and market access remain the most substantial interest factors for new investment.

**Recent Industrial Highlights:**

- Lease of 212,000 SF at Border Business Park
- 12,600 SF investment property sold for \$2.3M
- 35 properties (373,000 SF) currently for sale
- 197,000 SF of pending sales under contract
- 25 industrial properties available for lease
- 41 Business Park in Nisku (365,000 SF) was one of five buildings over 100,000 SF completed in the Edmonton region in 2024.

Alberta's unemployment rate is 6.7% as of February 2024. The region continues to be seen as a great value in Canada for non-residential development, and continued investment interest is strong in Leduc County.

**ATTACHMENTS**

None