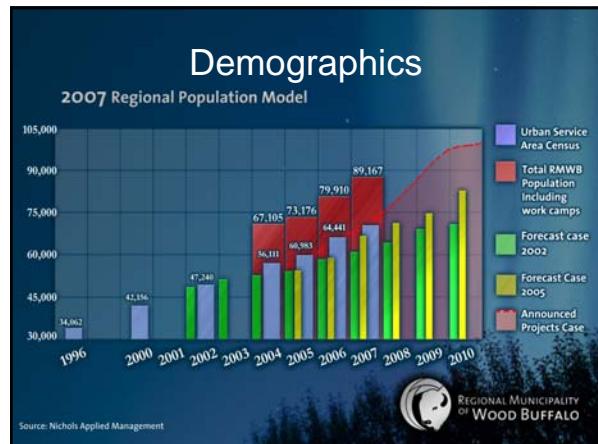
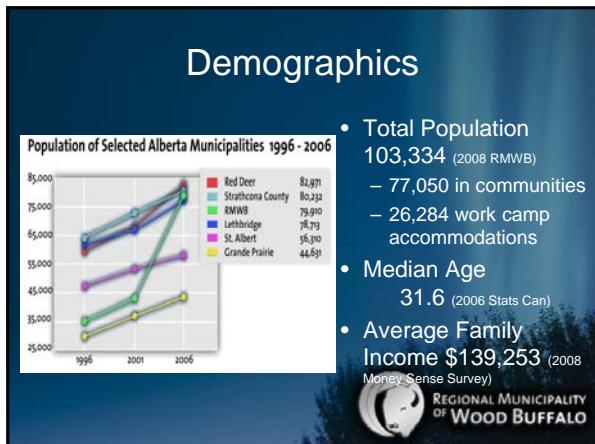
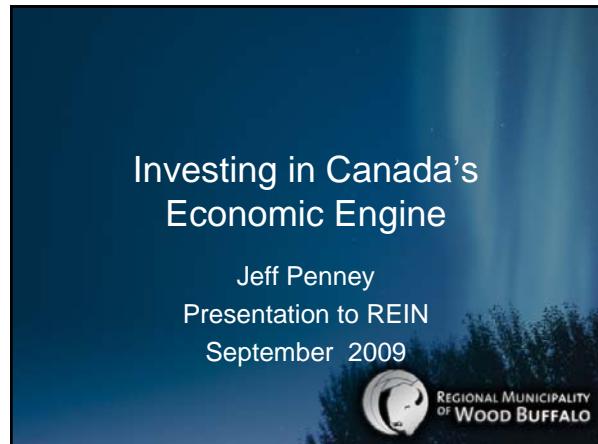
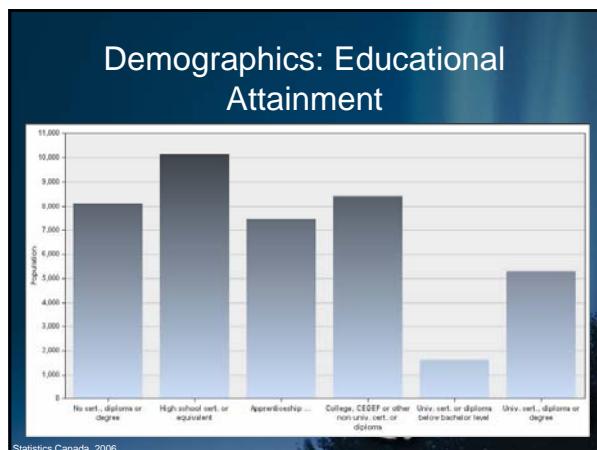


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The Economy: Oil Sands

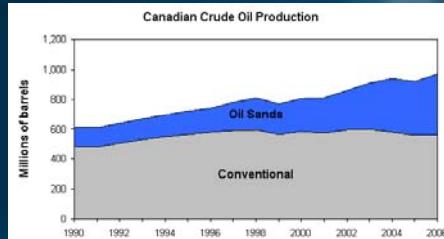


- Canada's oil reserves 2nd in world behind Saudi Arabia
- Alberta's Oil Sands are 95% of Canada's 179 billion barrel supply
- Oil sands production
 - 2007, 1.32 mbpd
 - 2020, 3.0 mbpd

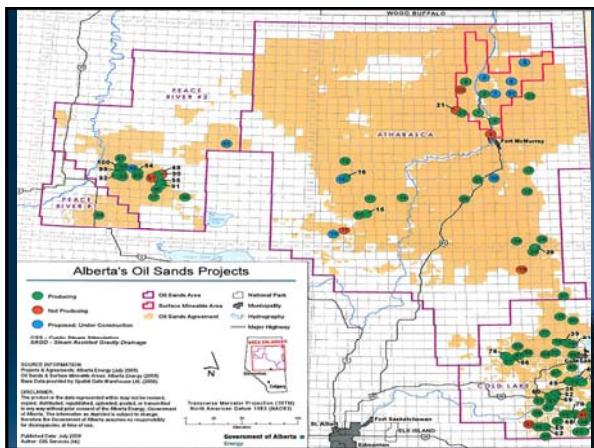


Nrcan.gc.ca, energy.alberta.ca

The Economy: Oil Sands



Nrcan.gc.ca



The Economy: Oil Sands

- Traditional Mining
 - North of Fort McMurray
- In Situ Developments
 - Largely South of Fort McMurray



Oilsandsdevelopers.ca Aug 2009

The Economy: Oil Sands

2007 Quick Facts

- Initial volume in place: 1.71 trillion barrels
- Remaining ultimate potential: 309.1 billion barrels
- Production (marketable): 1.184 million bpd
- 2007/08 Royalties: \$ 2.9 billion (fiscal 2007-08)
- Cumulative investment '98 -'07: \$ 71.5 billion (Stats Can)
- 2007 Investment: \$ 16.8 billion (Stats Can)
- Currently 240 000 direct and indirect jobs from the Oil Sands (OSDG)



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The Economy: Oil Sands

- Wood Buffalo Direct Employment (Operations)
 - 1998: 6,000 people
 - 2008: 12,000 people
- Every new permanent oil sands operations job equals:
 - 3 additional local jobs in Wood Buffalo
 - 6 additional jobs nationally
- At any time, between 8,000 – 30,000 people are involved in construction/maintenance

Oilsandsdevelopers.ca



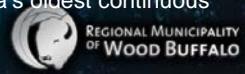
The Economy

- After Oil and Gas, Retail and Service Sectors are the next largest employers
- Retail space includes
 - 2 indoor malls
 - Big Box stores (Canadian Tire, Walmart)
 - Strip Malls in the residential areas



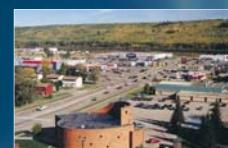
The Economy

- Forestry employs 2,600 people in the region (2007), generated \$1.38 million in revenue
- Tourism is another important part of the economy, especially in the more rural areas
 - Home of Wood Buffalo National Park
 - Oil Sands Discovery Centre
 - Fort Chipewyan is Alberta's oldest continuous European settlement



Infrastructure and Investment

- Provincial
 - Responsible Action: A Plan for Alberta's Oil Sands
- Budgeted major infrastructure projects ~ \$1.9 billion
- Includes:
 - Road upgrades
 - New schools
 - Bridge across the Athabasca River
 - Community Health Centres



Infrastructure and Investment



- Interchange construction \$300 million
- Water & waste water facilities \$103.6 million
- Affordable housing \$52 million
- Twinning to Hwy 63 \$1 billion



Infrastructure and Investment

- 2009 Municipal Capital Projects
 - Regional Landfill
 - Archie Simpson Arena
 - Fort MacKay Bridge Replacement
- 2010-2013 Capital Plan
 - Multi-use facilities
 - RCMP cellblocks
 - Regional Museum
 - Fort Chipewyan Airport Terminal Construction



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Infrastructure and Investment

- Economic Development Department created in 2007
- Regional Economic Development Strategy
 - business inventory and gap analysis, marketing plan, and initiatives to increase availability of land
- Regional Economic Development Alliance (REDA)



Infrastructure and Investment

- Economic Development works closely with other branches
- Planning Initiatives are underway to address land crunch
 - Taiga Nova Eco-Industrial Park
 - Commercial & Industrial Land Use Study
 - West Growth
 - Lower Town Site Redevelopment Plan
 - Updated Rural Area Structure Plans

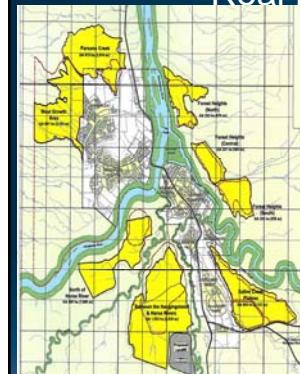


Real Estate

- Shortage of residential, commercial and industrial land has led to high costs
- Currently 0.3% rental vacancy

Average Rental Rates		Average Housing Prices		
Unit Type	Jun-08	Jun-09	Unit Type	
Bachelor	\$1,321	\$1,448	Single	\$697,970
1 Bedroom	\$1,717	\$1,856	Duplex	\$519,890
2 Bedroom	\$2,082	\$2,177	Mobile Home/Land	\$449,000
Source: Wood Buffalo Real Estate Assn. 2009				

Real Estate



- Fringe Area Development Assessment
- Identified areas for future urban growth
- Parsons Creek and Saline Creek are the most advanced



Real Estate



Conclusion

- Challenges vs. immense opportunities
- Large deficit in retail which the municipality is working to address
- More housing developments coming online
- Incredible investment opportunities



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Conclusion

Questions?

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