



315 Jespersen Avenue
Spruce Grove, AB
T7X 3E8

REQUEST FOR PROPOSAL

Industrial Sector Targeting Strategy
June 5th, 2018

RFP Closing Time:

June 29th, 2018
4:00 PM

Table of Contents

| | |
|--|---|
| 1. Invitation to Submit Proposal | 3 |
| 2. Key Objectives & Considerations | 3 |
| 3. City of Spruce Grove | 3 |
| 4. Target Audience..... | 4 |
| 5. Terms of Reference | 4 |
| 6. Final Report | 6 |
| 7. Budget & Timeline..... | 7 |
| 8. Proposal Requirements | 7 |
| 9. Source Documents..... | 7 |
| 10. Miscellaneous | 8 |

1. Invitation to Submit Proposal

The City of Spruce Grove is inviting proposals from qualified consultants to prepare an Industrial Sector Targeting Strategy. This new initiative was recommended as part of the Spruce Grove Economic Development Strategy & Action Plan Update 2017 – 2022 approved by Council in 2016.

The Industrial Sector Targeting Strategy (the “Strategy”) is intended as an update to the City’s 2013 Industry Sector Targeting Study. This initial study identified and targeted high-potential industries in both the commercial and industrial sectors of Spruce Grove where the development of this new Strategy will focus on Spruce Grove’s industrial sector only. The Strategy will build on the existing content and analysis contained within the 2013 document.

| | |
|--------------------------|--|
| Description: | Industrial Sector Targeting Strategy |
| RFP Number: | RFP #06-2018 |
| Date Issued: | June 5 th , 2018 |
| RFP Closing Date: | June 29 th , 2018 at 4:00pm |

Please indicate the Request for Proposal Number and description on all correspondence.

This Request for Proposal does not commit the City of Spruce Grove to award a contract or pay any costs incurred in the preparation of a proposal, or attendance at a meeting with the City of Spruce Grove staff.

2. Key Objectives & Considerations

The Strategy, based on Spruce Grove’s competitive strengths and unique attributes, will:

- Identify industrial sectors considered to be a strategic fit for development in Spruce Grove and that offer the highest investment potential now and in the next 5 to 10 years
- Assess Spruce Grove’s competitiveness as a location for new industrial investment within the Edmonton Metropolitan Region
- Determine the competition in the targeted industrial sectors and how Spruce Grove can be positioned to succeed
- Contain a tactical marketing plan that will guide and support the City’s business attraction efforts within the targeted industrial sectors identified in the Strategy.

For the City of Spruce Grove, the term ‘industrial’ refers to industries in the energy sector, industrial fabrication and services, transportation supply & logistics, agriculture, environmental, information and advanced technology, construction, pharmaceutical, and other potential industries best suited to an industrial area.

Although the energy sector, regardless of the recent downturn, is likely to continue as the key driver of the regional economy, the Strategy should consider other sectors that present diversification opportunities and strong growth potential.

3. City of Spruce Grove

3.1 Background

Spruce Grove, Alberta is a city with a population of just under 35,000. Located 11 kilometers west of Edmonton, Spruce Grove holds a prominent position within the Edmonton Metropolitan Region - a robust hub of 1.3 million people.

Ideally situated between the TransCanada Yellowhead Highway and Highway 16A, the City of Spruce Grove is well connected to major transportation and heavy haul routes including the TransCanada Yellowhead Highway 16, Highway 16A, Highway 60, and Highway 43 which connects to the Mackenzie and Alaska Highways. Edmonton's Anthony Henday ring road provides fast and convenient travel from Spruce Grove to the Edmonton International Airport, the CN & CP intermodal facilities, and throughout the entire Edmonton Metropolitan Region.

Spruce Grove has a diverse industrial base that includes agriculture and food processing, oilfield services and manufacturing, heavy construction, transportation, secondary wood products, modular housing, and advanced technology. There are four established and two newly developed industrial parks in Spruce Grove with 227 businesses employing an estimated 2,200 people. In 2015, NAIT acquired 140 acres of land within the industrial area south of Highway 16A on which to establish their new construction trades campus. The first phase, the Melcor Crane & Hoisting building opened in 2016.

Just east of Spruce Grove is the Acheson Industrial Area which is one of the largest and fastest growing industrial parks in western Canada. This is a major employment and business centre for Spruce Grove residents and companies as it represents considerable supply chain opportunities if leveraged and promoted effectively.

Spruce Grove is a fully urban regional service centre for a trade catchment population of 138,000 and continues to emerge as a commercial destination. Westwind - a high visibility, 60 acre commercial development along the TransCanada Yellowhead Highway – is underway and will offer a range of retail, office, entertainment, hospitality, and professional services.

Spruce Grove's population has grown an average of 5% annually over the last decade, with a growth of 8% in 2015. With the steady rapid rate of residential growth in the community, the City needs to be aggressive and creative in its efforts to grow the non-residential assessment base. These efforts will continue to move Spruce Grove closer to the ideal 80/20 residential/non-residential assessment split, maintaining reasonable and competitive levels of taxation for both residents and businesses.

4. Target Audience

The primary audience for the Industrial Sector Targeting Strategy will be the City of Spruce Grove and land developers who have, or are interesting in acquiring, investment in Spruce Grove's industrial areas.

The Strategy will also act as a reference point for real estate, financial, and other business institutions that require precise, purposeful, and explicit information about Spruce Grove's business environment in order to properly advise clients in their investment and location decisions.

5. Terms of Reference

Spruce Grove has an established industrial base with 227 businesses employing an estimated 2,200 people in a diverse range of sectors. It is important to understand why these companies are in Spruce Grove and how the City can build on what they already have. In addition, the Acheson Industrial Area located just minutes east represents considerable supply chain opportunities for Spruce Grove if leveraged and promoted effectively.

Your proposal must address the specific terms of reference set out below.

5.1 Review of 2013 Industry Sector Targeting Study

Conduct an in-depth review and assessment of the 2013 Industry Sector Targeting Study to identify existing information gaps and make a series of recommended actions, and methodology that will be used, to acquire the information necessary to develop a comprehensive, industrial-focused strategy.

5.2 Competitive Assessment

Assess the competitive factors, both strengths and weaknesses, which affect Spruce Grove's ability to attract new industrial investment. This analysis should consider, but is not limited to, economic conditions, business environment, demographics, growth conditions, workforce, infrastructure, resources, locational factors, and quality of place attributes.

Provide recommendations on what the City can do improve its competitive standing within the Edmonton Metropolitan Region (primary rivals for industrial investment) and better position itself to attract new industrial investment.

5.3 Industrial Analysis

Provide an analysis of the industrial base in Spruce Grove that is to include:

- Classify by industrial sector
- identify leading employers within these sectors and determine strategic advantage or other reason for locating in Spruce Grove
- Profile of physical assets that support industrial development such as sites & buildings, transportation networks, infrastructure, existing supply-chain/support businesses (consider businesses in Spruce Grove and Acheson industrial parks)
- Profile the business environment to determine if it is, or is not, conducive to growth industrial growth
- Identify asset gaps that may act as a barrier to industrial investment
- Workforce profile documenting availability, skills, costs, gaps, etc. within Spruce Grove and surrounding region

5.4 Industrial Sector Target Assessment

Undertake an assessment of industrial sector targeting opportunities based on Spruce Grove's competitive strengths and strategic fit across individual sectors. This assessment should:

- Identify high, medium, and low potential sectors
- Delineate the quality of the sector opportunity, likelihood of success in meeting the site selection criteria of a typical expansion project in sectors opportunity (identify strengths and challenges), and determine what specifically makes the industrial sector opportunity a 'fit' for Spruce Grove
- Include a 'cross-sector analysis model' that sets out the criteria used to identify sector targeting opportunities and the relative economic benefits

5.5 Business Development Incentives & Programs

Refine the 'Business Development Incentives' section, pp. 67–73, of the 2013 Industry Sector Targeting study to include:

- Identify and inventory business development incentives currently recognized and being offered by the City of Spruce Grove
- Determine other business support activity that the City is involved with or offers but may not be recognized as a business incentive, and through creative thinking and consultation, identify how such activity can be considered a marketable business development incentive

- Identify additional potential business development incentives that the City may wish to offer
- List and describe business development incentives being offered other Alberta municipalities and level of success

5.6 Marketing Plan

Develop a Marketing Plan that expands on the 'Marketing Strategy' on pp. 6-7 of the 2013 Industry Sector Targeting Study and considers the competitive advantages identified in the Industrial Sector Target Assessment above.

The Marketing Plan will identify specific target sector audiences for business recruitment and expansion and recommend a series of actions that offer the best return on investment in marketing to, and recruiting, those audiences. The plan will include:

- Business retention & expansion – how to court investment from businesses already in the community
- Lead generation – how to identify high value-added business prospects
- Successful prospecting – direct email, telemarketing, prospect follow-up (tele-development)
- Call trips – how to arrange effective corporate headquarter visits
- Trade-Shows – which offer the greatest ROI and generate the most meaningful leads
- Web & internet strategies and use of incentives
- Effective packaging of labour market/skills data for presentation to prospect

In preparing the Marketing Plan, the consultant team will review prior and current marketing efforts conducted by the City and its partners and evaluate the potential to collaborate with other economic development organizations in the region.

As the consultant may be expected to provide support in the implementation of the Marketing Plan, the proposal should include 'next steps' and a billing rate that applies to these services.

5.7 Company 'Short List'

Provide a list of 15 to 20 companies in the target industrial sectors that represent a good fit for Spruce Grove. It will include a rationale for the companies on the list, a description of their operations and, if applicable, company plans to expand or move, and key contacts. This will be a confidential document, separate from the public Strategy.

As the consultant may be expected to facilitate connections with a select group of companies identified on the short list, the proposal should include a methodology and a billing rate that applies to these services.

5.8 Additional Information

If the consultant believes that business interviews or other community collaboration activities are necessary to generate information for the development of the Strategy, a detailed recommendation is to form part of the proposal.

6. Final Report

6.1 Design

The Strategy will reflect a professional design with quality images, an attractive cover page, practical layout, and content in a clear, easy-to-read font.

6.2 Delivery

The consultant will compile a draft document that will be forwarded by email to Spruce Grove's Economic & Business Development Department for review and feedback. The consultant will make all necessary revisions to the draft and, on approval by the City, will be finalized. The final Strategy will be provided to the City in electronic PDF form and two (2) printed and bound hard copies.

7. Budget & Timeline

7.1 Budget

Proposals must clearly detail a summary of projects costs including a proposed payment schedule, cost breakdown by item or actions required to complete the Strategy, billing rates, and hours for key personnel involved in the assignment. The maximum budget for the Industrial Sector Targeting Strategy will not exceed \$40,000 CAD, excluding taxes. The consultant will propose travel related expense budget which, upon approval, will be billed separately.

7.2 Timeline

Proposals must clearly detail a proposed timeline that includes project initiation, key milestones, and project completion. The project completion date is November 30th, 2018.

8. Proposal Requirements

The proposal should include:

- Experience of the consultant in doing this type of project
- Name and qualifications of the team assigned to develop the Strategy, including time allocation for each person
- Workplan, timelines, budget
- Minimum three (3) references

Interested consultants must submit their proposal either in hard copy or electronically by 4:00pm on June 29th, 2018 to:

Karla Gould
Economic Development Specialist – Industrial
The City of Spruce Grove
315 Jespersen Avenue
Spruce Grove, AB T7X 3E8
kgould@sprucegrove.org

More information can be obtained by contacting Karla Gould at kgould@sprucegrove.org or at 780-962-7634 ext. 293

9. Source Documents

Following are a list documents and other tools that may support the development of the Industrial Sector Targeting Strategy:

- [2013 Industry Sector Targeting Study](#) (*please contact the City to request an electronic copy*)
- [Economic Development Strategy & Action Plan](#)
- [Retail & Office Market Analysis](#)
- [GIS Site Locator Tool](#)
- [Spruce Grove & Tri Municipal Region Labour Market Profiles](#)

10. Miscellaneous

- a) **Proposal Expenses:** Any risk, cost and expenses incurred by each Proponent in, or arising from, the preparation of Proposals or any associated presentation, discussions or negotiations, shall be the sole cost and expense of the Proponent. The City shall not under any circumstances be responsible for the payment or reimbursement of the same.
- b) **Conflicts of Interest:** Any material familial, social, financial, commercial or other interest that the Proponent (or any director, shareholder, employee or representative of the Proponent) has with any employee or representative of the City (or any contractor of the City) should be disclosed in your Proposal. Such disclosure will generally not of itself disqualify a Proponent but must be frankly and honestly disclosed so that proper safeguards can be employed to avoid any actual or perceived unfairness or bias.
- c) **Confidentiality:** Any information provided by, or obtained from, the City in connection with this RFP, and the terms of any contract ultimately entered into, is confidential information held for the benefit of the City and shall not be disclosed or released by the Proponent (or used by the Proponent for purposes other than responding to this RFP) without the City's express written consent.
- d) **Freedom to Contract:** The City is not obliged to accept any of the Proposals submitted in response to this RFP and may terminate this RFP process at any time without notice. The City is not obligated to accept the lowest bid.
- e) **FOIPP:** The City is a public body subject to the privacy and disclosure provisions of the Freedom of Information and Protection of Privacy Act (FOIPP) and any information provided by the City to the Proponents or provided by the Proponents to the City may become subject to disclosure upon application of a third party.
- f) **No Legal Rights Created:** Without any limitation to or by the foregoing, nothing in this RFP or in any communications, discussions or negotiations made or entered into pursuant to this RFP or in any further statements or information made or provided by the City or its representatives give to any Proponent any legal rights whatsoever and in particular, no contractual obligation, duty of care, duty to inform or any other obligation is imposed upon the City. Any liability of the City to a Proponent arising out of this RFP or any Proposal hereunder, including any contract negotiations, whether in tort, contract or otherwise, shall be limited to the sum of \$1,000 in the aggregate for any and all causes and claims. In no event, shall the City be liable or otherwise responsible for claims for lost profits or any indirect or consequential losses of any kind.