

INVEST IN ALBERTA'S  
TOURISM INDUSTRY

# Mighty Peace Region





# INTRODUCTION

Alberta's Tourism Framework supports and focuses the tourism industry by creating compelling, authentic tourism experiences that will grow Alberta as a leading tourism destination. It actively encourages entrepreneurial investment in traveller-focused development of innovative tourism experiences, destination renewal, and new destination areas through new collaborative partnerships with regions, communities and industry stakeholders. This approach will create and enhance traveller-focused experiences around the province by identifying and prioritizing areas holding high tourism value.

Alberta Tourism, Parks and Recreation (TPR), in partnership with the Mighty Peace Tourist Association, completed a tourism investment opportunity assessment for the Mighty Peace Region. This collaborative initiative supports Alberta's Tourism Framework, and reflects the Government of Alberta's role in facilitating access to capital for the tourism industry.

The assessment is considered high-level in nature, and was not deemed to be a feasibility study. It contains high-level business case assessments around the identified opportunities, and is aimed towards attracting private sector developers and investors. This publication provides a summary of the opportunities identified in the report. All dollar amounts are expressed in Canadian dollars unless otherwise stated.

# MIGHTY PEACE REGION

Established in 1963, the Mighty Peace Tourist Association is the destination marketing organization (DMO) responsible for tourism marketing and promotion for the Mighty Peace Region. The organization plays a crucial role in promoting and increasing awareness of the region's tourism opportunities to the rest of Alberta, Canada and the world.

The Mighty Peace Region is defined by the Peace River—one of the most storied rivers in western Canada—alongside a history of exploration, settlement, commerce, and trade. Today, the Peace River plays a significant role in defining the character of the area, showcasing a range of topographies and ecosystems - including valleys, plateaus, cultivated agricultural land holdings, boreal forest and untapped opportunities for recreation and tourism.

The region, part of a broader swath of land which comprises the Peace Country extending into British Columbia, has significant tourism potential. The Mighty Peace Region offers outdoor adventure activities ranging from trail riding to fishing, jet boating to bird watching, world class hunting to gold panning.



The major tourism assets for the Mighty Peace Region include:

- The Peace River, a unique natural corridor lined with both cultural and natural heritage features and attractions;
- Accessible wilderness with one ecological reserve, three wildland provincial parks, five provincial parks and seven provincial recreation areas (many of which stretch along the Peace River Valley) and abundant Crown lands, lakes and smaller rivers;
- Abundant resources for consumptive tourism (e.g. hunting and fishing);
- A rich cultural heritage with numerous sites, interpretive attractions and designated areas of provincial significance, as well as largely undeveloped tourism features reflecting the region's rich Aboriginal cultural history;
- A strategic position with regards to a number of very prominent highway touring routes. Mile Zero on the Mackenzie Highway lies in the middle of the region (Grimshaw), while Mile Zero on the Alaska Highway lies just west across the border in Dawson Creek, British Columbia. Many of the visitors travelling on the Alaska Highway, the Mackenzie Highway and the Deh Cho Travel Connection originate in Alberta; and
- A combination and juxtaposition of fertile agricultural landscapes within true boreal wilderness areas, which present a strong landscape setting for tourism.

To capitalize on these major tourism assets the Mighty Peace Region has over time developed supportive tourism infrastructure. There are opportunities to expand, enhance and diversify the tourism industry to more fully capitalize on the unique tourism assets and undeveloped opportunities in this region.



# MIGHTY PEACE REGION INVESTMENT OPPORTUNITIES

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# MUNICIPAL DISTRICT OF PEACE

## Specialty Lodge Development

An opportunity exists in the Municipal District of Peace for the development of a multi-season specialty lodge along the historic Shaftesbury Trail, which lies along the Peace River. The trail is a popular route that offers travellers various scenic views, rest spots, and access to historic sites and attractions. The proposed development would feature a central lodge and surrounding cabins offering up to 15 rooms. Its close proximity to the Peace River Valley would create a unique experience for visitors.

It is envisioned that the central lodge would contain five or more rooms, a high quality dining facility, a space for social gatherings, and creation of internal building spaces and decks to allow for full enjoyment of the Peace River views. The addition of strategically located, one or two storey cabins that are connected to the central lodge by a rustic pathway system could also be designed to capitalize upon views of the river. The proposed opportunity could involve the development of new buildings, the renovation of an existing building complex or a combination of both.





## Site

The proposed development would be located further to the west along the Shaftesbury Trail. The precise location of the lodge should ideally provide visitors with year-round vehicle access and the best views of the Peace River. The land surrounding the trail is known as the Shaftesbury Settlement. This area contains lands that include agricultural, Crown land and country residential districts. Potential development locations may require further investigation and consultations with the Government of Alberta, the Municipal District and respective land owner(s).

## Market Attraction

The proposed lodge could draw tourists from Alberta, other Canadian provinces, the United States and overseas who are interested in the natural attributes of the Peace River Valley and its proximity to the town of Peace River. The growing baby boomer market for road trips and vacations provides a potential opportunity for a specialty lodge.

Target markets for this opportunity potentially comprise of the following:

- Provincial, national and international tourism markets;
- Couples and adults aged 55 and up;
- Younger urban couples;
- Weekend getaway/spa market from major urban centres within the regional trade area; and
- Meetings and special event markets.

Activities that could be marketed to potential target groups include cultural and historical tourism, Aboriginal tourism, nature and adventure tourism, as well as agri-tourism.

## Financial Information

The capital costs for the lodge development are estimated at nearly \$4 million, inclusive of new and/or renovated space equivalent to approximately 800 square feet per room (including common areas, restaurant space, and other ancillary space) and additional infrastructure costs. Costs based on necessary water, electrical and sanitary hook-up, furniture, fixtures and equipment, design and soft costs, and pre-opening, marketing and logistical costs are also included.

The lodge could be operated during the summer and shoulder season from June to October (Option 1) or operated year round (Option 2).



## SPECIALTY LODGE DEVELOPMENT

**Option 1**  
Estimated Capital Requirements  
(5 month operating season)

**\$3.97 M**

Effective Seasonal  
Occupancy Rate

**75%**

Average Daily Rate

**\$220**

Total Revenues  
(Years 1 to 5)

**\$585 - 659 K**

Net Operating Income  
Before Debt  
(Years 1 to 5)

**\$120 - 135 K**

**Option 2**  
Estimated Capital Requirements  
(12 month operating season)

**\$3.97 M**

Effective Seasonal  
Occupancy Rate

**60%**

Average Daily Rate

**\$110**

Total Revenues  
(Years 1 to 5)

**\$796 - 896 K**

Net Operating Income  
Before Debt  
(Years 1 to 5)

**\$186 - 209 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# BIRCH HILLS COUNTY

## RV Development and Campground Expansion

An opportunity exists to expand the Tangent Park Campground, located southeast of the Peace River and adjacent to the Shaftesbury Trail. The proposed plan would feature upgrades to the campground's existing amenities and the development of 55 new recreational vehicle (RV) sites either at the campground or near the Peace River Wildland Provincial Park. The campground is accessed via the Shaftesbury Ferry, located on the Peace River.

### Site

Tangent Park Campground, located on Crown land, lies along the Peace River within Birch Hills County. The location of the potential development site is to the southeast of the existing campground bordered by Highway 740 and the gravel road heading north to Peace River Wildland Provincial Park. Any development within this area would be on Crown land.

Tangent Park Society, the operator of the existing campground, leases its land from the Government of Alberta. The expansion could occur under a separate lease with another operator, or if Tangent Park Society is amenable, as an expansion of its current operations. A further alternative would be for the Society to act as a third party operator on behalf of another investor owning the land. Potential development locations may require further investigation and consultations with the Government of Alberta, Birch Hills County and respective land owner(s).



## Market Attraction

The proposed expansion and additional accommodations could appeal to overnight travellers wanting to experience the attractions and features of the Mighty Peace region. New facilities would potentially encourage visitors to extend their stay in the area allowing for longer overnight trips.

Target markets for this opportunity potentially include:

- RV travellers en route to areas north of the Peace River valley;
- Residents within the region looking for attractive destinations for weekend camping; and
- Families and older couples seeking historical, cultural and nature-based experiences.

## Financial Information

The capital costs for the campground expansion and 55 RV sites are estimated at nearly \$1.2 million (approximately \$21,942 per RV site). Capital requirements are inclusive of site infrastructure costs (including development of serviced RV pads with electricity and water), a 1,000 square foot central amenity facility (laundry, shower, washrooms), design and soft costs, and furniture, fixtures and equipment costs for the central facility and other ancillary space.



## RV DEVELOPMENT AND CAMPGROUND EXPANSION

### Capital Requirements

**\$1.2 M**

**Effective Seasonal  
Occupancy Rate**  
(5 mo. operating season)

**66%**

**Average Rate**  
Short term (daily) /  
Long term (weekly/monthly)

**\$40 / \$32**

**Total Revenues**  
(Years 1 to 5)

**\$220 - 247 K**

**Net Operating Income  
Before Debt**  
(Years 1 to 5)

**\$89 - 100 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# MUNICIPAL DISTRICT OF FAIRVIEW

## RV and Tent Campground Expansion

The area adjacent to Dunvegan Provincial Park presents an opportunity for further development of RV camping and tenting site, and related amenities. Dunvegan is a designated provincial historic site of Alberta, spanning approximately 23 acres of land bordering the Peace River. The park is home to 67 serviced campsites, historic site tours, a visitor centre, trails, day use area. Recreational opportunities include canoeing, kayaking, fishing, power boating and wildlife viewing. The proposed expansion would feature 30 new RV sites and 30 tent camping sites to respond to the growing demand for tourist accommodations.

### Site

Dunvegan Provincial Park is located in the Municipal District of Fairview. Certain constraints make the area north of the park limited in terms of potential site development. However, the extension of nearby Township Road 801A could provide suitable road access to potential site(s) for the campground expansion. The area east of the park is home to Dunvegan Gardens, one of the area's tourism assets. Land to the west of the park and the Peace River Suspension Bridge includes a municipal park, an Aboriginal encampment, the historic Factor's House, historic cemetery, and two privately owned properties.

Further investigations and consultations with the Government of Alberta, the Municipal District of Fairview and respective land owner(s) would be required to identify viable parcels of land for the proposed development.



## Market Attraction

Dunvegan Provincial Park continues to be an important tourist attraction. The park also comprises Historic Dunvegan, a provincial historic site, and one of Alberta's earliest fur trade and missionary posts. It is also the site of the Peace River Suspension Bridge, the only bridge of its kind in Alberta.

Dunvegan Provincial Park draws RV travellers and regional overnight campers from northern Alberta (including daily and longer-term rentals). The number of these visits has grown significantly, which could result in potential unmet demand during the summer camping season.

Target demographics are broad, catering to both families and older couples seeking historical, cultural and nature-based experiences.



## Financial Information

The capital cost for the development of the 30 RV and 30 tent camping sites is estimated at nearly \$3 million, or approximately \$49,555 per site. The capital cost is based on the development of a high quality RV campground and tent camping facility (e.g. development of paved as opposed to gravel RV sites).

Capital requirements are inclusive of site infrastructure costs (including paving of the existing access road to connect Dunvegan Provincial Park to the proposed development zone, and the building of a picnic area), base building construction costs (including central washroom facility), design and soft costs, and furniture, fixtures and equipment.

## RV AND TENT CAMPGROUND EXPANSION

### Capital Requirements

**\$2.97 M**

**Effective Seasonal  
Occupancy Rate**  
(5 mo. operating season)

**82%**

**Average Rate**  
Short term (daily) / Long term  
(weekly/monthly) / Tent sites

**\$42 / \$32 / \$28**

**Total Revenues**  
(Years 1 to 5)

**\$269 - 303 K**

**Net Operating Income  
Before Debt**  
(Years 1 to 5)

**\$106 - 120 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# MUNICIPAL DISTRICT OF PEACE

## RV Campground and Cabin Development

The Mighty Peace Golf Club is located between the town of Grimshaw and the town of Peace River. The facility is the region's only 18-hole golf course and features an existing RV parking area with 26 unserviced sites. An opportunity exists for the development of additional RV sites near the existing RV parking area, along with fixed roof accommodation featuring rental cabins.

The proposed development would feature 40 serviced RV stalls, self-catering cabins (20 units), and additional tent camping facilities located in proximity to the golf course's main clubhouse. The proposed cabins could be developed on wooded land immediately west of the golf course to provide visitors with a quiet, secluded retreat. However, this parcel of land is privately owned, requiring further investigation and consultations with the Municipal District of Peace and respective land owner(s).

### Site

The golf club is located in the Municipal District of Peace and is surrounded by land parcels that include agricultural, country residential and Crown lands to the northwest. The Peace River Airport owns the land immediately northeast of the golf club.

The West Hill Business Park Area Structure Plan (2009) is currently the only area structure plan for the area east of the golf club. The plan will likely not impact the proposed expansion of golf club amenities; however priorities outlined in the plan may allow for, and facilitate, the future development of similar tourism development opportunities. Further investigations and consultations with the Government of Alberta and the Municipal District of Peace would be required.



## Market Attraction

The proposed opportunity could appeal to overnight travellers visiting the Mighty Peace region. Enhanced accommodation facilities have the potential to increase the duration of visits to the region.

Potential target markets include:

- RV touring markets and golf enthusiasts seeking accommodation in proximity to the town of Peace River;
- The golf club's proximity to the town and the Mackenzie Highway also offers the potential to become an en route stop-over point for RV and highway travellers;
- Tournament market for golf and related events; and
- Corporate and family events.

## Financial Information

The total capital cost for the development of 20 cabins is estimated at approximately \$2.4 million, inclusive of site infrastructure costs with gross floor area of 900 square feet per cabin (approximate ratio of four cabins per acre), required on-site utilities and servicing for each cabin, base building hard construction costs, design and soft costs, and furniture, fixtures and equipment.

The total capital cost for the 40 RV sites is approximately \$1.1 million, inclusive of site infrastructure costs, base building hard construction costs, design and soft costs, and furniture, fixtures and equipment.



## RV CAMPGROUND AND CABIN DEVELOPMENT

**Estimated Capital Requirements**  
Cabins (20 units)

**\$2.41 M**

**Estimated Capital Requirements**  
RV Sites (40 sites)

**\$1.09 M**

**Effective Seasonal Occupancy Rate**  
(6 mo. operating season)

**70%**

**Average Daily Rate**  
(Peak / non peak season)

**\$135 / \$110**

**Effective Seasonal Occupancy Rate**  
(6 mo. operating season)

**59%**

**Average Daily Rate**  
Short term (daily) /  
Long term (weekly/monthly)

**\$42 / \$40**

**Total Revenues**  
(Years 1 to 5)

**\$532 - 599 K**

**Net Operating Income Before Debt**  
(Years 1 to 5)

**\$232 - 261 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# SADDLE HILLS COUNTY

## Cabin Development and RV Expansion

The area within or around Moonshine Lake Provincial Park provides an opportunity for the development of new rustic style, winter cabins as well as additional RV campsites and related amenities. The proposed site would likely be in proximity to the existing campground at the south end of Moonshine Lake, which also provides visitors easy access to existing trails. The park offers multi-season recreational activities such as birding, canoeing, kayaking, cross-country skiing, fishing, hiking, sailing, swimming and wind surfing.

### Site

Moonshine Lake Provincial Park, located within Saddle Hills County, covers approximately 2,727 acres. Surrounding land is designated as agricultural and Crown land districts. The agriculture district is primarily limited to the area immediately south of the park.

Discretionary uses of land designated as agricultural district include the development of campgrounds. However, there is potential to develop additional RV campgrounds on Crown land by means of a:

- Lease through the Alberta Tourism Recreational Leasing (ATRL) Process for development on Crown land but not within the park; or
- Contractual or lease agreement with Alberta Tourism, Parks and Recreation (TPR) if development occurs within the park for either a ground lease, or a concession to operate facilities on behalf of TPR.
- Any of the options would require further investigation and consultation with the Government of Alberta, Saddle Hills County and private land owner(s).





## Market Attraction

Potential target markets include visitors seeking access to recreational activities such as ice fishing, snowshoeing and cross country skiing, boating and wildlife viewing. Potential cabins at Moonshine Lake could be developed to attract both summer and winter recreation enthusiasts.

The park's proximity to a major highway route and the Deh Cho Travel Connection<sup>1</sup> also presents opportunities to capitalize on the RV touring market and possibly, the tent camping market.

## Financial Information

The estimated capital cost for 10 winterized cabins at 500 square feet per unit is \$962,000, inclusive of site infrastructure costs (cabins would not provide water; however, they would be serviced with electricity), base building hard construction costs, design and soft costs, and furniture, fixtures and equipment.

The capital cost for the 25 RV campsites is \$486,000, inclusive of site infrastructure costs, base building hard construction costs, design and soft costs, and furniture, fixtures and equipment.



Given that the development could occur at the south end of the park and the proximity to existing group use areas, and with the intention to provide a rustic, wilderness oriented series of cabins developed at a low density, there may be limited investment required in road infrastructure. The operating costs reflect rental payments associated with a Crown land lease.

<sup>1</sup> The Deh Cho Travel Connection is a route that spans approximately 1,800 kilometres and links the Mackenzie, Liard and Alaska Highways in northern Canada. The route travels across the grasslands of the Peace River region, through the boreal forests and along the mountainous landscapes of the Mackenzie and Canadian Rocky mountains.

## CABIN DEVELOPMENT AND RV EXPANSION

**Capital Requirements**  
Cabins (10 units)

**\$962 K**

**Capital Requirements**  
Campsites (25 sites)

**\$486 K**

**Effective Seasonal Occupancy Rate**

**68%**

**Average Daily Rate**  
Nov-Mar / May-Oct (week-ends) / May-Oct (weekdays)

**\$60/\$80/\$70**

**Effective Seasonal Occupancy Rate**

**70%**

**Average Daily Rate**

**\$30**

**Total Revenues**  
(Years 1 to 5)

**\$243 - 274 K**

**Net Operating Income Before Debt**  
(Years 1 to 5)

**\$73 - 83 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# MUNICIPAL DISTRICT OF PEACE

## Cabin Development

An opportunity exists for the development of rustic-style cabin accommodations within or near the 212-acre Queen Elizabeth Provincial Park, which is located on the shores of Lac Cardinal in the Municipal District of Peace. The Provincial Park offers campground facilities and multi-season recreational activities such as birding, camping, canoeing, kayaking, cross-country skiing, hiking, power boating, sailing and swimming.

The proposed development would feature 20 self-catering cabins located in the northern area of the park, or just outside this area, in proximity to the Lac Cardinal shoreline. Another potential option is to develop on lands to the southwest of the park, in an area that features the Lac Cardinal Recreation Area and the Lac Cardinal Pioneer Village Museum.

### Site

Queen Elizabeth Provincial Park is situated in the Municipal District of Peace. Land surrounding the Queen Elizabeth Provincial Park is generally designated as agricultural district and privately owned. Immediately south of the park is the Lac Cardinal Recreation Area and the Lac Cardinal Pioneer Village, which is municipally owned.

Directly north of the park is a 12-acre area that could be suitable for the proposed development. This land parcel is also designated as agricultural district and development of cabins is a discretionary use. Potential development locations could include privately owned or Crown land, requiring further investigations and consultations with the Government of Alberta, Municipal District of Peace and respective land owner(s).



## Market Attraction

Queen Elizabeth Provincial Park is relatively well visited with high-demand during the peak period. From 2005 to 2006, Queen Elizabeth Provincial Park was the 40th most visited provincial park (based on occupied campsite nights) out of the 50 provincial parks in Alberta that collected data over this period.

The potential for the development of cabin accommodations could also draw target markets that include regional visitors from Alberta and British Columbia, and recreation enthusiasts seeking access to water based recreational activities, wildlife viewing as well as winter based activities such as cross-country skiing and snowshoeing.

## Financial Information

The capital cost to develop the cabins (approximately 750 square feet per unit) is estimated at nearly \$2.3 million, inclusive of site infrastructure costs (including development of gravel road access from the site to the park's northern boundaries), base building hard construction costs, design and soft costs, and furniture, fixtures and equipment.



## CABIN DEVELOPMENT

### Capital Requirements

**\$2.28 M**

**Effective Seasonal  
Occupancy Rate**

**69%**

**Average Daily Rate**

**\$115**

**Total Revenues  
(Years 1 to 5)**

**\$260 - 292 K**

**Net Operating Income  
Before Debt  
(Years 1 to 5)**

**\$104 - 117 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# CLEAR HILL COUNTY, WORSLEY

## Hostel Development

Whispering Pines Ski Hill, located in Clear Hills County, is one of three ski hills within the Mighty Peace region. There is significant potential to expand Whispering Pines Ski Hill into a full service regional resort, beginning with the development of fixed-roof accommodation to attract overnight regional visitors from Alberta and British Columbia.

The proposed expansion plan would start with the development of a 30 room, hostel-style lodge (based on double occupancy) and five group dormitory rooms. Complementing the expansion

plan are proposed upgrades to the ski hill's existing restaurant and food service facilities to serve the overnight market. Related site work and infrastructure development as well as road access to the new hostel would also be required.

There is also a potential long term opportunity to develop a subdivision of serviced recreational residential lots for rent or ownership. Key to the success of these opportunities would be the convenience of ski-in/ski-out privileges.



## Site

Whispering Pines Ski Hill is managed by the Worsley Clear Hills Club. It currently has 19 runs ranging from beginner to expert level. Further amenities and services on the hill include a chalet, rental shop, ski and snowboard school, and ski patrol.

The ski hill is situated on Crown land and is currently operating under a 25 year lease with the Government of Alberta. The surrounding area of the ski hill is also Crown land. Site development options will require further investigation and consultation with the Government of Alberta, Clear Hills County and relevant landowner(s).

## Market Attraction

The limited availability of local accommodations provides an opportunity to develop an overnight market for Whispering Pines. Potential development of commercial, fixed roof accommodations would serve existing demand and stimulate additional demand for the ski hill. Currently, the operating season is from November to April.

Target markets include visitors from the Peace River region and Grande Prairie. Visitors from northeast British Columbia also represent an important draw for Whispering Pines. The facilities at the ski hill have not yet been developed to maximize the potential of this regional market.

If there is sufficient volume during the summer months, the resort could also appeal to the recreation/adventure tourism market for summer based activities.

## Financial Information

The capital costs for the expansion are estimated at approximately \$4.6 million. The expansion includes the development of a 30 room, hostel-style lodge (approximately 400 square feet per room) and five dormitories (approximately 1,000 square feet per dorm). The proposed hostel would not have a restaurant but would be serviced by the existing facilities on-site.

Capital requirements are inclusive of site infrastructure costs, base building hard construction costs, design and soft costs; and furniture, fixtures and equipment.



## HOSTEL DEVELOPMENT

### Capital Requirements

**\$4.60 M**

**Effective Seasonal  
Occupancy Rate**  
(Rooms and dormitories)

**61%**

**Average Daily Rate**  
Rooms / Dormitories

**\$100 / \$300**

**Total Revenues**  
(Years 1 to 5)

**\$565 - 636 K**

**Net Operating Income  
Before Debt**  
(Years 1 to 5)

**\$276 - 311 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# MUNICIPAL DISTRICT OF PEACE

## Bird Lodge Development

An opportunity exists to develop a rustic-style bird lodge in an area located near Lac Cardinal. The lake is a nationally-ranked birding site with 141 species of birds recorded. The bird lodge is envisioned as Phase I of a larger bird viewing centre, with Phase II featuring the development of an interpretive centre with classroom learning space. The proposed centre could also involve the development of infrastructure related to birding activities.

The proposed bird lodge would be privately operated with possible private-public investment to support the development of trails and signage around the lodge. There is also potential to operate it as a rustic-style lodge catering to wildlife viewing. It is anticipated that the interpretive centre, through possible public investment, would be operated through partnerships between not-for-profit and government organizations, and possibly local associations.



## Site

The site could be situated within or on the periphery of the Lac Cardinal area. Queen Elizabeth Provincial Park, which lies along the shores of Lac Cardinal, is a protective area for song birds and waterfowl. Wilderness areas along the Peace River, which is approximately 29 kilometres east of Lac Cardinal, could also provide unique wildlife viewing experiences. The specific site location would be chosen based on where bird viewing opportunities can best be maximized.

Site development options will require further investigation and consultation with the Government of Alberta, the Municipal District of Peace and private land owner(s).

## Market Attraction

The potential associated with bird viewing in northern Alberta is clear from existing sites such as the Lesser Slave Lake Birding Observatory and the Boreal Centre for Bird Conservation (BCBC) in Lesser Slave Lake Provincial Park.

Group visitor statistics for the BCBC indicate that northern Alberta is the main source of visitors with Edmonton and the Slave Lake areas accounting for the largest proportion of visitors. It is expected that a similar facility at Lac Cardinal would attract similar markets, with potential to attract regional visitors from other parts of Alberta and British Columbia. Bird viewing activities can also be anticipated to draw tourists from other parts of Canada and overseas.

## Financial Information

The capital costs for the development of the lodge (gross floor area of 5,800 square feet) are estimated at nearly \$1.7 million. Capital costs are inclusive of site infrastructure costs, base building hard construction costs, design and soft costs, and furniture, fixtures and equipment.

Operations are based on an eight month period with closure during the winter.



## BIRD LODGE DEVELOPMENT

### Capital Requirements

**\$1.68 M**

**Effective Seasonal  
Occupancy Rate**  
(Rooms and dormitories)

**67%**

**Average Daily Rate**  
Per person, inclusive  
of meals and program

**\$75 - 95**

**Total Revenues**  
(Years 1 to 5)

**\$324 - 365 K**

**Net Operating Income  
Before Debt**  
(Years 1 to 5)

**\$71 - 80 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# SADDLE HILLS COUNTY

## Municipal and Tourism Hub Development

The Municipal District of Saddle Hills County owns 160 acres of land around Highway 49 and the Spirit River Airport. Aside from the County's municipal office, the remaining land is potentially available for sale for private sector development.

Saddle Hills County has identified a wide range of potential uses for the remaining land that could act as major sources of economic stimulus in the area. Proposed features that could potentially support the County's vision of becoming a municipal and destination hub include the development of the following:

- Tourism centre;
- Retail and commercial space;
- Gallery;
- Farmers market;
- Visitor centre;
- Education centre;

- Conference facility;
- Greenhouse;
- Family, youth and seniors activity and recreational facilities;
- Luxury RV park, overflow RV drive and park;
- Hotel with spa and indoor pool;
- Restaurant; and
- Centre for excellence.

It is envisioned that the first phase of the County's tourism hub proposal would feature potential development of a truck stop and a limited service hotel. The proposed truck stop would comprise a truck and passenger car gas station, washrooms and showers, full service restaurant and retail shop, as well as associated parking and infrastructure development. In addition, a visitor centre could be established as part of the leased space or otherwise co-located with the restaurant and retail services.





A branded, limited service hotel (50 rooms) could be built in the short or medium term following the development of the proposed truck stop, completion of the county’s municipal building and potentially other retail development in the area. The proposed hotel would offer amenities including a general breakfast-seating area, business centre and recreational amenities such as a fitness centre. Restaurant service could be provided through the proposed truck stop or through food services located nearby.

## Site

The proposed location for development is owned by Saddle Hills County and is currently designated as agricultural district. The development of a truck stop and hotel is potentially considered to be a discretionary use on this land. Further investigation and consultations with the County would be required.

The site is in proximity to the Deh Cho Travel Connection and to Moonshine Lake Provincial Park, offering potential to develop a range of traveller experiences and services.

## Market Attraction

The initial target markets will include business and leisure-based travellers as well as regional residents en route to other destinations in the area for recreation, leisure or business purposes.

The target markets for the proposed truck stop and hotel may evolve with the addition of other destination tourism experiences and services in Saddle Hills County (e.g. conference facility, farmers market, and activity and recreation facilities).

## Financial Information

The capital cost for the proposed truck stop is estimated at \$3 million, inclusive of site infrastructure costs, base building hard construction costs, design and soft costs and tenant improvement costs. The capital requirements are based on the development of a 12 pump gas bar, retail outlet, service shop and restaurant. The truck stop site would require an estimated three acres of land.

The capital costs for the proposed hotel are estimated at nearly \$5.3 million, inclusive of site infrastructure costs, base building hard construction costs, design and soft costs, and furniture, fixtures and equipment. The hotel site area would require an estimated 2.5 acres of land, sufficient to accommodate a 50 room hotel. With a construction cost estimate of \$157 per square foot, the capital cost per room would be \$105,320.

## MUNICIPAL AND TOURISM HUB DEVELOPMENT

### Capital Requirements Truck Stop

**\$3.08 M**

### Effective Seasonal Occupancy Rate

**N/A**

### Total Revenues (Years 1 to 5)

**\$2.3 - 2.6 M**

### Average Daily Rate

**N/A**

### Net Operating Income Before Debt (Years 1 to 5)

**\$224 - 252 K**

### Capital Requirements Hotel (50 rooms)

**\$5.27 M**

### Effective Seasonal Occupancy Rate

**60%**

### Total Revenues (Years 1 to 5)

**\$1.2 - 1.4 M**

### Average Daily Rate

**\$110**

### Net Operating Income Before Debt (Years 1 to 5)

**\$335 - 378 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# MIGHTY PEACE REGION

## Golf Course Expansion

The Mighty Peace Region is home to 10 golf courses, only one of which offers an 18-hole facility. This provides a long term opportunity to expand one of the existing 9-hole golf courses to an 18-hole facility, particularly one that represents the most significant potential for expansion. It is anticipated that the investment for this expansion would mainly involve the development of additional fairways and greens. However, enhancement of existing facilities to accommodate additional services may also be required, including expansion of existing clubhouse and other ancillary services such as RV campgrounds, fixed roof accommodations and recreational residential sub-divisions.

### Site

Land use approvals may vary depending on the proposed location of the golf course expansion. Further investigation and consultations with the Government of Alberta, relevant municipalities and landowner(s) would be required when assessing each potential location and its specific regulatory, land use and ownership restrictions, including potential to develop recreational residential subdivisions as part of a larger golf course community.



## Market Attraction

The expanded golf course could satisfy the potential local and visitor demand for golf in the Mighty Peace region. The region's location along the Mackenzie Highway and Alaska Highway also provides access to the RV touring market originating south of the region (Grande Prairie and Edmonton) travelling to the Northwest Territories and Alaska during the summer months. The upgrading and expansion of facilities could potentially capture a larger share of the RV market heading to more northern destinations, and searching for active recreational pursuits along the route.

## Financial Information

The capital cost for the proposed golf course expansion is estimated at about \$4.5 million (representing approximately \$500,000 per additional hole). It is a general estimate and does not include any extraordinary site development costs.

Capital requirements are inclusive of site infrastructure costs and construction costs. The construction costs include allocation for a modest building addition such as storage area, and this allocation would increase should a small conference or banquet facility become a viable option. Design and soft costs, and furniture, fixtures and equipment are also included.



## GOLF COURSE EXPANSION

### Capital Requirements

**\$4.52 M**

#### Number of Golf Rounds

**10,000**

#### Net Average Green Fee/Round

**\$40**

#### Total Revenues (Years 1 to 5)

**\$569 - 672 K**

#### Net Operating Income Before Debt (Years 1 to 5)

**\$51 - 88 K**

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# TOWN OF PEACE RIVER

## Misery Mountain Ski Area Expansion

The Misery Mountain Ski Area developed a comprehensive master plan in 2012 to harness a range of new market opportunities through proposed enhancements of the current ski area and expansion of the area into a multi-season site.

It is envisioned that the phased action plan would include the following:

- Improvement of the current skiing experience by developing more intermediate and advanced ski terrain;
- Trail development on the north and eastern slopes to maximize snow retention;
- Development of the ski area to optimize the current capacity of the base area facilities and improvement of the overall skier experience; and
- Consideration and recommendation of all-season use of the area.

Phase I of the plan envisions enhancements to existing ski facilities, including the installation of a newly purchased chairlift to service expanded ski and snowboard terrain, re-grading of a portion of the mountain to allow for easier skier access to the new lift, and increasing the number of ski trails from 11 to 24 trails.

Assuming increased use of the ski area after Phase I, Phase II (option 1) would see further enhancements and addition of new facilities such as the installation of an additional lift, new tube park, expansion of the snow-making system, further increase in the number of ski trails (from 24 to 35 trails) and enhancements to the existing ski lodge.

Phase II (option 2) would also envision the same enhancements and addition of new facilities to the ski hill; however, it would forgo the installation of an additional lift and instead relocate an existing chairlift to service the northern area of the mountain.



## Site

The Misery Mountain Ski Area is situated on lands owned and/or leased by the Town of Peace River; however, the ski facility is operated by the Peace River Ski Club. The ski facility's proposed expansion would occur on land that is currently under the control and/or ownership of the Town.

Development opportunities on neighbouring lands could also be explored in the future including resort development and use of the ski area during the summer months (e.g. mountain biking, zip line attraction and mountain top teahouse). Further investigation and consultations with the Town of Peace River would be required, along with the Government of Alberta and adjacent land owner(s).

## Market Attraction

Misery Mountain's proximity to the region's major urban service hub creates further potential for this investment opportunity. The ski area's market draw includes local residents and a regional-wide draw in excess of 134,200. In addition, the Town of Peace River's younger population profile, coupled with the scenic attributes of the Misery Mountain/Shaftesbury Trail area provides significant potential for continued investment and partnerships in the development of the ski area.

Future opportunities could include the development of recreational real estate as industrial development continues to grow, further improving the region's wealth and population base. Given the length of the winter season and the site's location adjacent to the Peace River and Peace Valley, the demand, over the long term, for recreational housing property (ownership/rental/fractional) could represent investment potential as baby boomers retire.



## Financial Information

The expansion opportunity is being proposed as a phased development plan with capital costs divided between Phases I and II. The capital cost for Phase I is estimated at \$4.2 million. Under Phase II, option 1 is estimated at \$5.8 million, and option 2 is estimated at \$4.6 million. The capital costs are inclusive of the purchase of ski lifts, the development of ski trails and tube park, installation of the snowmaking system and expansion of the day lodge.

### MISERY MOUNTAIN SKI AREA EXPANSION

#### Capital Requirements: Option 1

Phase 1	Phase 2	Total
\$4.2 M	\$5.8 M	\$10 M

#### Capital Requirements: Option 2

Phase 1	Phase 2	Total
\$4.2 M	\$4.6 M	\$9.8 M

SOURCE: MIGHTY PEACE TOURISM INVESTMENT OPPORTUNITIES ASSESSMENT (2013)

# LONGER TERM OPPORTUNITIES

## Mighty Peace Region

The Mighty Peace Tourism Investment Opportunities Assessment also identifies other long term investment opportunities within the Mighty Peace region. However, no detailed site investigations were undertaken as part of this report. Interested parties should undertake their own due diligence with regards to any of the opportunities.

### CLEAR HILLS COUNTY

#### Cabin Development

Clear Hills County offers an opportunity for the development of cabin accommodations along a future snowmobile/ATV trail network that would connect Worsley, Whispering Pines Ski Hill, Running Lake, Stoney Lake and Hines Creek.

The proposed cabin development could potentially service the snowmobiling, hiking, wildlife viewing, hunting and ATV markets. Potential snowmobile and ATV trail network development could be carried out through (or in partnership with) the Peace Valley Snow Riders, the local snowmobile association.





## **TOWN OF PEACE RIVER Marina Development**

An opportunity exists for the development of a marina in or surrounding the Town of Peace River that could become a potential tourist hub for the town and possibly lead to the emergence of other tourism related opportunities.

The River provides a majestic vista and significant potential for wilderness paddling due to the convergence of the Smokey and Peace Rivers. Paddling excursions would also allow visitors to enjoy local accommodations, fine dining and other tourism-related experiences.

## **MACKENZIE HIGHWAY NEAR THE PEACE RIVER RV/Cabin Development**

The Mackenzie Highway connects Alberta to the Northwest Territories and is relatively close to the Peace River in Northern Lights County. The area offers potential opportunities for the development of remote wilderness campsites accessible via trails as well as recreational activities such as fishing, canoeing and kayaking, and untouched beach areas. Wilderness experiences could potentially be marketed to adventure tourism markets in Canada and abroad.

## **NORTH OF FAIRVIEW**

### **Hunting Lodge Development**

Although a slow growth market, hunting and fishing still represents a potential tourism opportunity. The U.S., in particular, remains an important market for hunting in Alberta. Several outfitters are considering expanding their operating areas to provide a broader range of hunting terrain throughout the Peace Country. Some individual homesteaders have also been providing guide services to hunters as a secondary source of income. An opportunity over the long term exists to develop a hunting lodge that would feature quality experiences distinct from other hunting areas in western Canada. The hunting lodge could be used by a number of operators and serve as a centralized location for hunters to base their activities. The Peace Country area north of Fairview, in the Boreal wilderness, could be a potential site for the proposed lodge although similar concepts could also be developed south of the Peace River.







# ALBERTA GOVERNMENT SUPPORT

Alberta Tourism, Parks and Recreation's Tourism Division offers a variety of services for investors seeking to invest in and develop tourism projects, businesses, and land in Alberta.

Our interest is in helping investors and developers identify viable tourism development opportunities in the province. With our knowledge of the resources, land base and characteristics of tourist visitation across Alberta, we can tailor our assistance to your needs.

Once you decide on a particular location in the province, we will direct you to key community business contacts. Our services are free of charge to qualified business investors.

## Tourism Related Investment Services

Some of the services available through the Government of Alberta are described below. You can access our services through the Alberta government's international offices or by visiting us at: [www.tourism.alberta.ca](http://www.tourism.alberta.ca).

Assessing and matching investment interests and financial resources with appropriate tourism business investment opportunities.



Organizing site visits to review investment opportunities.



Introducing investors to relevant business contacts and facilitating meetings to assist with investment interests.



Availing tourism research and development information to assist with business cases or feasibility studies.



Providing detailed information on tourism sectors of interest.



Assistance with Crown land leasing opportunities through the Alberta Tourism Recreation Leasing process.



Supplying links to the Federal Government's Business Immigration Program.



Providing access to tourism related investment services through the Alberta government's international office network (Singapore, New Delhi, Beijing, Shanghai, Tokyo, Hong Kong, Taipei, Seoul, Mexico City, London, Munich and Washington).



# INVEST IN ALBERTA'S TOURISM INDUSTRY

For additional information on the opportunities contained in this booklet, and to obtain a copy of the Mighty Peace Tourism Investment Opportunities Assessment, please contact:

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