URBANICS

Terrain

The Urbanics Quarterly Newsletter on Land, Capital and Growth in Western Canada

The Pacific Gateway Moves to the Front of the Queue

Following the Money: The 2026 Funding Map

Alberta’s Power Question

Perspective: The Underutilized Public Balance Sheet

AUTUMN 2026 · BRITISH COLUMBIA & ALBERTA · DATA CURRENT TO 22 SEPTEMBER 2026



LIZARD RANGE, FERNIE, BRITISH COLUMBIA

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ABOUT TERRAIN

Terrain is a quarterly publication of Urbanics Consultants Ltd. It brings together economic, policy, funding and market intelligence relevant to the planning, financing and delivery of land and infrastructure in British Columbia and Alberta.

It is prepared for the executives, planners and economic development leaders of port and airport authorities, municipalities and regional districts, Indigenous development corporations and institutional landowners.

MASTHEAD

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A Quarter That Changed the Conversation

An introduction to the Autumn issue of Terrain, published in the fiftieth year of Urbanics Consultants Ltd.

Welcome to the Autumn issue of Terrain, a quarterly publication from Urbanics. We are publishing it in our 50th year because the questions our clients bring to us have changed. A decade ago, most conversations began with whether a project was needed. Today they more often begin with how a project can be financed, who should own it, and how quickly it can move from an approved plan to a funded, buildable program.

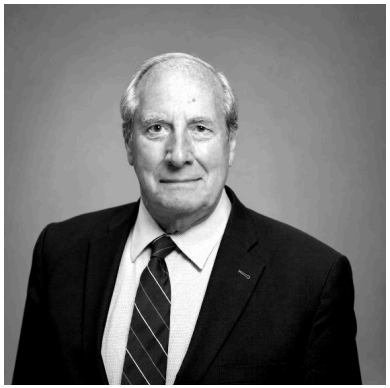
The past quarter illustrates why. Canada's second-quarter economic rebound was followed within weeks by the breakdown of trade negotiations with the United States and a new round of tariffs and counter-tariffs. Over the same period, the federal government referred several Western Canadian projects to its Major Projects Office, opened new infrastructure and trade-corridor funds, and signed a cooperative agreement with British Columbia that places ports, transmission and liquefied natural gas at the centre of national economic policy. Provincial finances, meanwhile, have diverged, with a record deficit in British Columbia and an oil-driven surplus now forecast in Alberta.

For the port, airport, municipal and economic development leaders who read this publication, these developments share a common implication. Public capital is likely to favour projects that are well defined, demonstrably ready and structured to attract partners. Land and infrastructure that public bodies already own may, as a result, become more valuable, provided it is programmed, planned and financed with care.

Each issue of Terrain will compile the economic, policy and funding intelligence that impacts those decisions in British Columbia and Alberta, with sources identified so that readers can verify and build on it. Our aim is to be useful rather than exhaustive. We hope you find this issue informative, and we welcome your comments and suggestions for future editions.

Ali Sarpoushan, MBA, MScIB

Managing Director, Urbanics Consultants Ltd.



Phil Boname

FOUNDER · CHAIRMAN & CEO, 1976–2024

Founded Urbanics in Vancouver in 1976 and led the firm for nearly five decades, establishing its practice in land economics, planning and development advisory.



Ali Sarpoushan, MBA, MScIB

MANAGING DIRECTOR · VANCOUVER

Leads the firm's planning, economics and financial advisory work. His experience spans more than $10 billion in commercial and residential projects across Canada.

Photographs Urbanics Consultants Ltd.

FIFTY YEARS · 1976–2026

Urbanics was founded in Vancouver in 1976 by Phil Boname, whose ideas were instrumental in the creation of the Granville Island Public Market and Whistler Village. This issue of Terrain is published in the firm's fiftieth year.

Twelve Figures That Framed the Quarter

Selected indicators for British Columbia, Alberta and Canada, current to September 22, 2026.

2.25%

Bank of Canada policy rate, held on September 2 for a seventh consecutive decision

BANK OF CANADA

3.3%

Canada real GDP growth, Q2 2026 (annualized), following weak Q1 growth (revised)

STATISTICS CANADA

3.0%

CPI inflation, August 2026 (unchanged from July); core measures near 2%

STATISTICS CANADA

6.5% | 6.8%

Unemployment rate, British Columbia | Alberta, August 2026

STATISTICS CANADA, LFS

50%

U.S. tariff on $27.6B of Canadian goods from Aug. 22; Canadian counter-tariffs of 15–50% from Sept. 8

FINANCE CANADA

5.65M | 5.06M

Population, British Columbia | Alberta, April 1, 2026 (preliminary)

STATISTICS CANADA

229,046

National housing starts, seasonally adjusted annual rate, August 2026 (flat m/m)

CMHC

–42%

Change in actual Vancouver housing starts, July 2026 vs. July 2025

CMHC

19,565 MW

Data centre load requested in Alberta, vs. a 1,200 MW interim connection limit

GOVERNMENT OF ALBERTA

$51B

Build Communities Strong Fund, over ten years from 2026–27

HOUSING, INFRASTRUCTURE AND COMMUNITIES CANADA

Sept. 25

Deadline, Trade Diversification Corridors Fund Stream 3 (Supporting Regional Growth)

TRANSPORT CANADA

–$13.8B | +$2.0B

Forecast 2026–27 budget balance, British Columbia | Alberta (first-quarter updates)

PROVINCIAL FISCAL UPDATES, AUG.–SEPT. 2026

Figures are as reported by the named sources; population estimates are preliminary and subject to revision. See Sources & Notes.

Ten Observations for Decision-Makers

The themes from this issue that we expect to matter most for public asset owners over the next two to four quarters.

01 **The recovery is broadening but remains exposed to trade policy.**
GDP rose 3.3% (annualized) in the second quarter, but new U.S. tariffs of 50% on $27.6 billion of Canadian goods, Canadian counter-measures and further U.S. measures announced on September 8 add material risk to the second half of the year.

02 **Long-term borrowing costs are rising despite a steady policy rate.**
The policy rate has been 2.25% since October 2025, yet long-term bond yields rose globally through the summer and fixed mortgage rates moved higher in August.

03 **Population growth has paused, particularly in British Columbia.**
Preliminary estimates show British Columbia's population 0.9% lower than a year earlier, while Alberta's continues to grow. Growth assumptions in plans and servicing studies warrant review.

04 **Housing starts are moderating while completions rise.**
CMHC expects national starts to decline through 2026–2028, with the sharpest recent slowdown in Vancouver.

05 **The Pacific Gateway is now a national economic priority.**
Roberts Bank Terminal 2 is under consideration for listing under the Building Canada Act, and the Port of Vancouver has opened its first major terminal opportunity in a decade.

06 **Industrial land is a central constraint at the coast.**
The federal Gateway Strategy identifies limited industrial land as a barrier to new terminal investment.

07 **Alberta's data centre pipeline far exceeds available grid capacity.**
The requested load of roughly 19,565 MW contrasts with the fully allocated interim limit of 1,200 MW; new rules favour projects that bring their own generation.

08 **Federal funding is substantial but conditional.**
The Build Communities Strong Fund, the Trade Diversification Corridors Fund and Build Canada Homes reward readiness, cost-sharing, partnership and demonstrated benefit.

09 **Provincial fiscal positions have diverged.**
British Columbia now forecasts a $13.8 billion deficit for 2026–27 and has re-paced its capital plan; higher oil prices have moved Alberta's forecast to a $2.0 billion surplus. British Columbia's early election, set for October 24, adds uncertainty about the province's fiscal and capital direction.

10 **Public land can be a significant source of untapped value.**
Well-structured ground leases, joint ventures and value-capture mechanisms can convert underutilized public land into project equity, recurring revenue or other public benefits.

01

Economy & Trade

Canada’s economy rebounded in the second quarter, but the breakdown of trade negotiations with the United States in August has introduced new uncertainty. This chapter reviews growth, interest rates, prices and labour markets in British Columbia and Alberta.

A BROADENING RECOVERY MEETS A TRADE RUPTURE
DIVERSIFICATION TAKES SHAPE
RATES ON HOLD, COSTS IN MOTION
WESTERN LABOUR MARKETS

ELK VALLEY, BRITISH COLUMBIA

A Broadening Recovery Meets a Trade Rupture

Second-quarter data pointed to a recovery that was gaining breadth. The events of late August and early September have made its durability a central question for the second half of 2026.

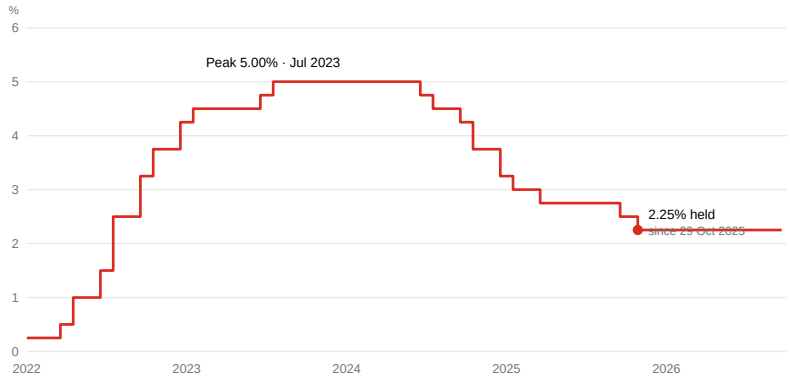
Statistics Canada reported that real GDP grew by 3.3% (annualized) in the second quarter, following weak growth in the first. The Bank of Canada described the pickup as broad-based: consumption posted solid gains, housing activity rebounded after several weak quarters, and exports and business investment rose sharply. Some of the strength reflected temporary factors, but the Governing Council's assessment was that the recovery was broadening.

That assessment was made against a markedly different trade backdrop. Negotiations between Canada and the United States broke down in late August. The United States imposed a 50% tariff on $27.6 billion of Canadian goods effective August 22, and the federal government announced that it would match those measures dollar for dollar, with Canadian counter-tariffs of 15% to 50% taking effect on September 8. The Canadian measures are concentrated in steel and aluminum, dairy, appliances, agricultural equipment, pulp and paper, plastics and electronics. On September 8 the United States announced further measures, including import bans on certain Canadian dairy, alcohol and vehicle products from September 29.

Two features appear to distinguish this round from earlier episodes. Tariffs on both sides apply even to goods that comply with the Canada–United States–Mexico Agreement, and neither government has indicated an end date. This suggests treating elevated trade friction as a baseline condition over the next several quarters rather than a temporary shock.

For public asset owners, the more consequential response has been strategic. Federal policy now aims to double exports to non-U.S. markets by 2035, and much of the infrastructure required to achieve that objective, including ports, rail, airports and energy corridors, is located in British Columbia and Alberta. Rising exports to China and a European Union proposal, discussed on the following page, may widen those options.

THE POLICY RATE HAS HELD AT 2.25% SINCE OCTOBER 2025



DATA Bank of Canada target for the overnight rate, January 2022 to September 2026
SOURCE Bank of Canada rate announcements

PLANNING IMPLICATION

Capital plans and pro formas prepared before August should be stress-tested for tariff-related cost escalation on imported steel, aluminum and equipment, and for weaker demand in trade-exposed sectors such as forestry.

Diversification Takes Shape

Exports to China are rising and the European Union has proposed a closer alliance. Western Canada's commodities are leading the shift, but the gains remain narrow.

The United States remains Canada's largest trading partner by a wide margin. The Bank of Canada has observed that producers of energy, mineral resources and agricultural products, which are in demand worldwide, are generally better placed to find new buyers than manufacturers. Early data suggest that this is where diversification is occurring, and that Western Canada is leading it.

Canadian goods exports to China rose 30% year over year in the first half of 2026, to $21.7 billion, according to a Canada China Business Council and University of Alberta China Institute report. Energy and minerals accounted for 58% of domestic exports to China, energy exports rose 82%, and Alberta and British Columbia recorded the largest gains. The increase reflects renewed engagement, including an agreement under which China suspended or reduced some tariffs on canola and peas in exchange for allowing a set number of Chinese electric vehicles into Canada, as well as higher oil prices and the expanded Trans Mountain system. The gains were concentrated in a limited group of commodities, however, and the tariff relief currently extends only to the end of 2026.

In Europe, Commission President Ursula von der Leyen proposed on September 16 that Canada become the European Union's first associate member and that CETA be upgraded to a broader alliance covering energy, critical minerals, batteries, defence industry and the Arctic. The term has not been defined. Ottawa has said Canada is not seeking EU membership, and some analysts expect sectoral agreements rather than institutional membership. An EU–Canada summit is expected in late October.

For Western Canada, these shifts reinforce the importance of the Pacific Gateway and of new export capacity such as the Pacific Link pipeline. They also carry risk: the gains depend on commodity prices, tariff arrangements and, in Europe's case, agreements yet to be negotiated.

EXPORTS BY MARKET, JANUARY TO JULY 2026

MARKET	EXPORTS	CHANGE AND SHARE
United States	$348.9B	+4.7% y/y; 68.0% of total (73.2% a year earlier)
United Kingdom	$46.9B	+84.6% y/y; 9.2% of total (5.6%)
European Union	$27.4B	+15.7% y/y; 5.3% of total (5.2%)
China	$26.1B	+34.7% y/y; 5.1% of total (4.3%)
Mexico	$6.6B	+22.2% y/y; 1.3% of total (1.2%)
All other countries	$56.9B	+19.0% y/y; 11.1% of total (10.5%)
All countries	$512.9B	+12.7% y/y

DATA Merchandise exports, balance of payments basis, seasonally adjusted, January to July 2026 vs. same period of 2025; all other countries calculated as the residual

SOURCE Statistics Canada, Table 12-10-0011-01 (Sept. 3, 2026); Global Affairs Canada, Office of the Chief Economist (2025 annual report); Canada China Business Council and University of Alberta China Institute, via CBC News (Sept. 2026); Bank of Canada (Sept. 2026); The Guardian and CBC News (Sept. 16, 2026)

PLANNING IMPLICATION

Exports to every major non-U.S. market grew faster than exports to the United States in the first seven months of 2026, but the U.S. still took about two-thirds of the total. Much of the gain to the United Kingdom likely reflects gold: in 2025, gold accounted for 85.9% of Canadian exports to the U.K., and its growth was driven mainly by higher prices rather than volumes. Trade-enabling projects should identify the specific markets and commodities they serve and test demand under more than one scenario.

Rates on Hold, Costs in Motion

The Bank of Canada has kept its policy rate unchanged for seven consecutive decisions, but the cost of long-term capital and of construction inputs has continued to move.

On September 2 the Bank of Canada held its target for the overnight rate at 2.25%, the seventh consecutive hold since its October 2025 reduction. The Bank noted that financial conditions have tightened since July, with long-term bond yields rising globally, including in Canada. Mortgage market commentary indicates that five-year Government of Canada yields climbed through August and that lenders raised fixed mortgage rates twice within a five-day period.

Consumer price inflation has hovered around 3% in recent months, largely because of persistently higher gasoline prices associated with the continuing conflict in the Middle East and limited progress in reopening the Strait of Hormuz. Excluding gasoline, inflation was 2.4% in August, up from 2.2% in July, and core measures remained close to 2%. The Bank has stated that upside risks to its inflation forecast have increased and that new tariffs and counter-tariffs could raise costs for some businesses and feed into consumer prices over time.

For project sponsors, this environment has three practical implications. First, the cost of long-dated debt, which drives the feasibility of rental housing, industrial development and infrastructure, is being set by global bond markets as much as by the policy rate. Second, construction cost escalation assumptions should be revisited where projects depend on imported steel, aluminum, electrical equipment or other goods now subject to counter-tariffs. Third, timing matters: the Bank's next decision and Monetary Policy Report are scheduled for October 28, 2026.

Pro formas and capital plans prepared earlier in the year may therefore understate both financing and construction costs. Projects approaching financing or procurement should be re-tested against higher long-term borrowing costs and construction-cost scenarios before commitments are made.

WHAT MOVED THIS QUARTER

INDICATOR	LATEST	CONTEXT
Policy interest rate	2.25%	Held Sept. 2; seventh consecutive hold
Real GDP, Q2 2026	+3.3%	Annualized; broad-based rebound
CPI inflation	3.0%	August 2026; gasoline-driven
CPI excluding gasoline	2.4%	July 2026
Core inflation measures	~2%	July 2026
Unemployment, Canada	6.4%	August 2026; unchanged
Average hourly wages	+2.0% y/y	August 2026; slowing
Next rate decision	Oct. 28, 2026	With Monetary Policy Report

DATA Selected macroeconomic indicators, Canada
SOURCE Bank of Canada (Sept. 2, 2026); Statistics Canada Consumer Price Index (Sept. 14, 2026) and Labour Force Survey (Sept. 4, 2026); TD Economics

Western Labour Markets: Similar Rates, Different Stories

Unemployment in both provinces sits near the national rate, but the direction of change and the sectors under pressure differ between them.

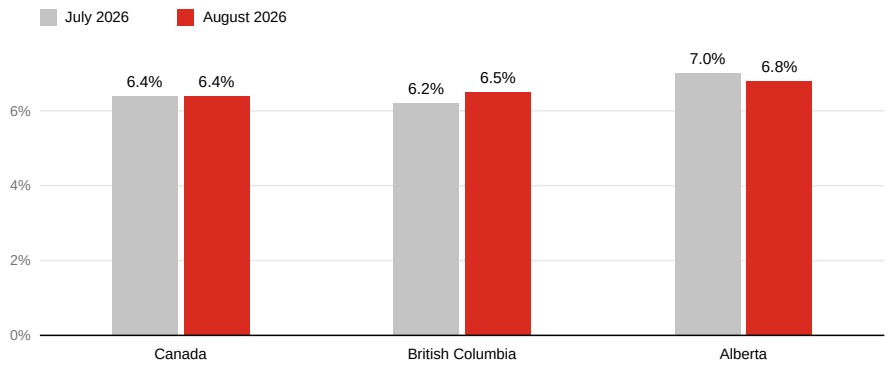
National employment declined by 42,000 in August, and the unemployment rate held at 6.4%, unchanged from July. Wage growth slowed to 2.0% year over year, which TD Economics noted was the slowest pace since November 2017 outside of 2021. Losses were concentrated in business, building and other support services, public administration, natural resources and utilities, while manufacturing added 22,000 jobs.

In British Columbia, the unemployment rate rose 0.3 percentage points to 6.5% in August, a statistically significant increase. The provincial government noted that the province had added 50,800 jobs over the preceding three months and identified the forestry sector as a particular target of U.S. trade actions. In Alberta, the unemployment rate declined 0.2 percentage points to 6.8%, which remains above both the national and British Columbia rates.

The labour picture has direct consequences for the delivery of major projects. Through its Team Canada Strong initiative, the federal government has committed to recruit, train and certify up to 100,000 new Red Seal trades workers, and British Columbia's 2026 budget committed $283 million over three years to skilled trades. The North Coast Transmission Line, LNG Canada Phase 2 and Roberts Bank Terminal 2 would draw on overlapping pools of skilled labour if they proceed on similar timelines.

For municipalities and economic development offices, the relevant planning questions are where construction and operations workforces will live, how temporary workforce accommodation can be transitioned into permanent community assets, and how local employment and procurement benefits can be secured through agreements with proponents.

UNEMPLOYMENT RATE, JULY AND AUGUST 2026



DATA Unemployment rate, seasonally adjusted, July and August 2026
SOURCE Statistics Canada, Labour Force Survey, August 2026; Government of British Columbia

PLANNING IMPLICATION

Workforce housing strategies prepared jointly by municipalities, proponents and First Nations can reduce pressure on local rental markets during construction and leave durable housing stock for operations.

02

People & Housing

Canada’s population has stopped growing, at least for now, and housing starts are moderating even as completions rise. New federal and provincial tools are also changing how growth is financed.

THE POPULATION PAUSE
STARTS MODERATE AS THE PIPELINE DELIVERS
NEW RULES FOR PAYING FOR GROWTH

THOMPSON-NICOLA, BRITISH COLUMBIA

The Population Pause

Preliminary estimates show Canada's population declining for three consecutive quarters, with British Columbia and Alberta moving in opposite directions.

Statistics Canada's preliminary estimates place Canada's population at 41,417,056 on April 1, 2026, a decline of 55,025 in the first quarter, following decreases of 103,504 in the fourth quarter of 2025 and 76,068 in the third. The principal driver is a reduction in non-permanent residents as permits expire and inflows slow; their number fell by 117,879 in the first quarter alone. Permanent immigration was 20.2% lower than in the same quarter of 2025, in line with lower federal targets.

The provincial pattern is uneven. Alberta's population grew 0.2% in the first quarter to 5,057,077, the fastest rate among the provinces for a second consecutive quarter. British Columbia's population declined 0.2% to 5,646,420, after a 0.4% decline in the previous quarter, and was 0.9% lower than a year earlier. Immigrant arrivals to British Columbia were 30.9% lower than a year earlier, a steeper decline than in any other large province.

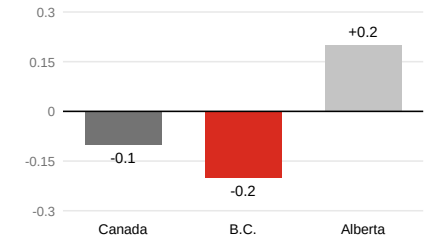
These estimates carry more uncertainty than usual. Statistics Canada has cautioned that permit extensions and longer processing times may produce larger-than-normal revisions when updated estimates are released, expected in late September 2026, and that the recent declines could prove smaller, larger, or be reversed. The 2026 Census population counts are scheduled for release on February 10, 2027.

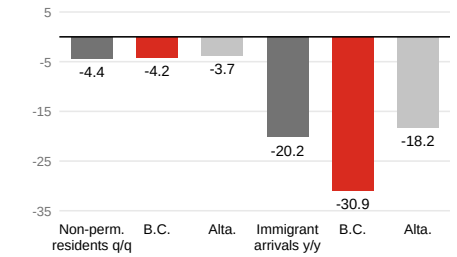
For long-range planning, the practical implication is that growth assumptions embedded in official community plans, housing needs reports, servicing master plans and development charge bylaws should be tested against more than one scenario. Communities that sized infrastructure on the growth rates of 2022–2024 may find that the timing of demand has shifted, even where the long-term trajectory has not.

POPULATION CHANGE AND ITS DRIVERS, Q1 2026

5,646,420BRITISH COLUMBIA POPULATION, APRIL 1, 2026STATISTICS CANADA

5,057,077ALBERTA POPULATION, APRIL 1, 2026STATISTICS CANADA





DATA Quarterly population change (%); non-permanent residents, quarterly change (%); immigrant arrivals, Q1 2026 vs. Q1 2025 (%)
SOURCE Statistics Canada, Canada's population estimates, first quarter 2026 (preliminary), released June 17, 2026

Starts Moderate as the Pipeline Delivers

National housing starts are trending lower, with the sharpest recent declines in Vancouver, while the volume of homes under construction continues to add to supply.

The seasonally adjusted annual rate of housing starts fell 5% in July and was flat in August at 229,046 units. Actual starts in centres of 10,000 or more were 2% lower than a year earlier in August, and year-to-date starts were 4% below 2025. Vancouver recorded a 42% year-over-year decline in July, following a 35% decline in June. CMHC has indicated that starts are likely to remain subdued in the coming months and, in its spring supply report, projected national starts to decline through 2026–2028 as developers contend with high costs, softer demand and elevated inventories.

The supply already in the pipeline remains substantial. Units under construction in centres of 50,000 or more stood at 371,658 in August; in July, completions rose 8.1% and units permitted but not started rose to 141,480. CMHC has observed more completed and unabsorbed condominiums in Vancouver, and some excess unabsorbed ground-oriented supply in Edmonton and Calgary. Purpose-built rental vacancy rose to 3.1% nationally in late 2025, with Vancouver at 3.7% and Calgary at 5.0%.

The federal response has shifted toward a more direct role in housing delivery. Build Canada Homes, launched in September 2025 with an initial $13 billion, is expected to become a Crown corporation later this year following Royal Assent of its enabling Act in June 2026. Its first British Columbia partnership, announced in February, commits to at least 700 supportive and transitional homes and will explore at least 400 affordable rental homes using the province's standardized, prefabricated housing program.

For public landowners, Build Canada Homes' emphasis on public land, modern construction methods and partnership structures creates a new counterparty. Sites that are serviced, appropriately zoned and supported by a clear leasing or disposition framework are likely to be best placed to attract its capital.

HOUSING SUPPLY INDICATORS

229,046HOUSING STARTS, SAAR, AUGUST 2026 (CANADA)CMHC	−42%VANCOUVER ACTUAL STARTS, JULY 2026 Y/YCMHC
371,658Units under construction, August 2026 (centres 50,000+)CMHC	141,480Units permitted but not started, July 2026CMHC via The Globe and Mail
3.7%Vancouver purpose-built rental vacancy, late 2025CMHC Rental Market Survey	5.0%Calgary purpose-built rental vacancy, late 2025CMHC Rental Market Survey

SOURCE CMHC housing starts releases (July 16, Aug. 18 and Sept. 16, 2026); CMHC Spring 2026 Housing Supply Report; CMHC 2025 Rental Market Survey as summarized by WOWA.ca

New Rules for Paying for Growth

Federal infrastructure funding now comes with expectations about development charges, and British Columbia has moved to give local governments more flexibility in response.

The Build Communities Strong Fund, announced in the November 2025 federal budget, will deliver $51 billion over ten years beginning in 2026–27, and $3 billion per year thereafter. The Community Stream, formerly the Canada Community-Building Fund, provides predictable formula funding to local governments; British Columbia's 2026–27 allocation exceeds $326 million. The Provincial and Territorial Stream will provide $17.2 billion over ten years nationally for housing-enabling, health-related and post-secondary infrastructure. A $1 billion Local Impact Stream, part of a $6 billion Direct Delivery Stream and delivered in the West by PacifiCan and PrairiesCan, supports community infrastructure projects.

Access to the larger provincial stream is conditional. Provinces are required to cost-match federal contributions, reduce development charges where they pose a barrier to housing construction, and avoid new taxes or fees that could hinder housing supply. In April 2026, British Columbia introduced amendments allowing the Province to define new categories of projects for which local governments and TransLink may reduce or waive development cost charges, with local governments retaining discretion over whether to use that authority.

These changes create a genuine tension in municipal finance. Reducing charges on multi-unit housing lowers the cost of development and may unlock federal funding, but the infrastructure those charges were designed to fund still has to be built. The resulting gap will generally need to be addressed through some combination of senior-government contributions, borrowing, amenity cost charges, density bonusing and partnerships. In Alberta, available tools also include off-site levies and community revitalization levies.

Municipalities that quantify the fiscal impact of alternative growth scenarios, including the long-term net position of servicing, operating and asset renewal costs, will be better placed to make these trade-offs deliberately.

THE BUILD COMMUNITIES STRONG FUND AT A GLANCE

STREAM	DELIVERED BY	KEY PARAMETERS
Community Stream (formerly CCBF)	Provinces; UBCM in B.C.	$2.5B per year nationally; B.C. allocation over $326M in 2026–27Formula-based funding to local governments
Provincial & Territorial Stream	Provinces and territories	$17.2B over 10 yearsHousing-enabling, health and post-secondary infrastructureCost-matching and development-charge conditions
Local Impact Stream	PacifiCan (B.C.); PrairiesCan (Alta.)	Typically $125,000 to $1M per project, up to 50% of eligible costsCommunity and shared economic infrastructure
Direct Delivery Stream	Government of Canada	$6B over 10 years, including the Local Impact Stream; shovel-ready intake closed July 20, 2026

DATA Program parameters as published, current to September 22, 2026
SOURCE Housing, Infrastructure and Communities Canada; UBCM; Province of B.C. (Apr. 1, 2026); PacifiCan and PrairiesCan program notices

03

Gateways: Ports & Airports

The federal objective of doubling non-U.S. exports by 2035 runs through Western Canada's ports and airports. Land, rail capacity and partnership structures are likely to determine how much of that ambition is realized.

THE PACIFIC GATEWAY MOVES TO THE FRONT OF THE QUEUE
INDUSTRIAL LAND AS A CENTRAL CONSTRAINT
THE NORTHWEST CORRIDOR TAKES SHAPE
AIRPORTS AS ECONOMIC DISTRICTS

ROBERTS BANK, DELTA, BRITISH COLUMBIA

The Pacific Gateway Moves to the Front of the Queue

In July the federal government referred the Port of Vancouver Gateway Strategy to the Major Projects Office and began the process of listing Roberts Bank Terminal 2 as a project of national interest.

On July 16, 2026, the Government of Canada referred the Port of Vancouver Gateway Strategy to the Major Projects Office as a transformative strategy. The strategy rests on four pillars: expanding container capacity through Roberts Bank Terminal 2 (RBT2); developing land and infrastructure for bulk terminals; optimizing and expanding rail infrastructure; and environmental protections for coastal habitat and at-risk whales.

RBT2 would establish a three-berth container terminal on 320 acres of new industrial land at Delta, increasing the Port of Vancouver's container capacity by nearly 50%. Federal estimates attribute to it about $100 billion in annual trade capacity, some $3 billion in annual GDP and more than 17,000 ongoing jobs across the supply chain. The project was approved in 2023 subject to 370 legally binding conditions and has 27 Mutual Benefit Agreements with First Nations. A Canada Gazette notice of August 29, 2026 advised that it may be listed under the Building Canada Act, with comments open to October 1. In April, the Vancouver Fraser Port Authority and GCT Global Container Terminals signed a memorandum of understanding to explore a partnership to advance it; operations are expected in the mid-2030s.

The Canada–British Columbia Cooperative Prosperity Agreement of July 2 reinforces this direction. It commits federal investment in upgrades at Roberts Bank, up to $3 billion toward replacing the George Massey Tunnel with an eight-lane crossing, and collaboration with the Prince Rupert and Stewart port authorities and First Nations.

The Port of Vancouver already handles about $1 billion in trade per day with 170 countries and supports roughly 132,400 jobs in Canada, 103,000 of them in British Columbia. For surrounding municipalities, the more useful planning question is how the land, transportation and community effects of gateway growth will be planned and shared.

ROBERTS BANK TERMINAL 2: KEY FACTS

ATTRIBUTE	DETAIL
Location	Delta, British Columbia
Proponent	Vancouver Fraser Port Authority
Scale	Three-berth container terminal on 320 acres of new industrial land
Capacity effect	Port of Vancouver container capacity up nearly 50%
Economic estimates	~$100B annual trade capacity; ~$3B annual GDP; 17,000+ ongoing jobs
Indigenous agreements	27 Mutual Benefit Agreements with First Nations
Status	Approved 2023 (370 conditions); referred to MPO July 16, 2026; Gazette notice Aug. 29, 2026; comments to Oct. 1



SOURCE Imagery © 2026 Google. Existing Roberts Bank terminals at Delta, B.C., the site of the proposed Roberts Bank Terminal 2.

Industrial Land as a Central Constraint

Federal policy now identifies what the market has signalled for some time: limited industrial land has constrained investment in modern terminals.

The Gateway Strategy notes that bulk commodities account for approximately 70% of Port of Vancouver tonnage and that limited industrial land at the port has discouraged investment in new terminals, leading operators to keep older facilities in service longer. It identifies land-use optimization and land creation as necessary to double non-U.S. exports by 2035. On July 20, the Vancouver Fraser Port Authority launched a process to select an operator for its 40-acre Fraser Wharves terminal site in Richmond, which the federal government described as the first major terminal opportunity at the port in a decade.

Conditions in the broader Metro Vancouver industrial market are softer than they were, but supply remains structurally limited. CBRE reported availability of 6.1% in the second quarter, average asking rates of $19.14 per square foot (down 3.9% year over year), and 2.9 million square feet under construction, just under 60% of it pre-committed. Absorption has increasingly come from existing space rather than pre-leasing of new buildings.

Alberta's market is tighter. Calgary's industrial vacancy fell to 3.24% in the second quarter according to Lee & Associates, with 3.8 million square feet under construction, much of it pre-leased. Colliers reported that Edmonton industrial rents recovered to $11.86 per square foot, while Victoria posted the highest industrial net asking rents in Canada at $20.79.

For municipalities in port and rail corridors, the policy agenda includes protecting and intensifying existing industrial land, identifying sites suited to inland port and transload functions, and managing the interface with agricultural land. Transport Canada's Trade Diversification Corridors Fund explicitly contemplates intermodal capacity, including inland ports, as an eligible focus.

WESTERN INDUSTRIAL MARKETS, Q2 2026

MARKET	INDICATOR	VALUE	SOURCE
Metro Vancouver	Availability rate	6.1%	CBRE
Metro Vancouver	Average net asking rate	$19.14 psf (–3.9% y/y)	CBRE
Metro Vancouver	Under construction	2.9M sf (~60% pre-committed)	CBRE
Victoria	Net asking rent	$20.79 psf (highest in Canada)	Colliers
Calgary	Vacancy rate	3.24%	Lee & Associates
Calgary	Under construction	3.81M sf	Lee & Associates
Edmonton	Net asking rent	$11.86 psf	Colliers

Definitions and survey bases differ between brokerages; figures are indicative and not directly comparable across markets.

SOURCE Major Projects Office, Port of Vancouver Gateway Strategy; CBRE, Lee & Associates and Colliers Q2 2026 reports

PLANNING IMPLICATION

Port-adjacent municipalities have good reason to treat industrial land as strategic infrastructure: to inventory it, protect it through land-use policy, and prepare servicing and partnership strategies for sites capable of supporting logistics and transload uses.

The Northwest Corridor Takes Shape

Prince Rupert, Kitimat and Stewart sit at the centre of a cluster of energy, mining and logistics projects that could reshape the economy of northwestern British Columbia.

The Cooperative Prosperity Agreement commits the federal government to accelerate the permitting, financing and construction of LNG Canada Phase 2, Ksi Lisims LNG, Cedar LNG and Woodfibre LNG, and to provide $3.9 billion through various tools toward Phases 1 and 2 of BC Hydro's North Coast Transmission Line. It also commits $500 million to expand the Red Chris copper mine, which the federal government estimates will raise Canada's annual copper production by more than 15%.

Final investment decisions on two of the largest projects are targeted for 2026, and a decision on LNG Canada Phase 2 has been reported as possible as early as October. Phase 2 would add two liquefaction trains and double capacity from 14 to approximately 28 million tonnes per year. The Nisga'a Nation's Ksi Lisims LNG, a 12 million tonne per year floating facility at Pearse Island, is targeting a decision this year, has added offtake agreements and depends on the proposed Prince Rupert Gas Transmission line.

At the Port of Prince Rupert, the Ridley Island Export Logistics Project, a 108-acre transload development with capacity for 400,000 TEUs, and the AltaGas–Vopak Ridley Island Energy Export Facility were both scheduled by their proponents to begin operating in 2026.

For communities in the northwest, the combined effect would be sustained demand for construction labour, housing, municipal servicing and industrial land, followed by a smaller but durable operations workforce. Experience with earlier major projects in the region suggests that municipal fiscal capacity, housing supply and service agreements with proponents are best addressed early, and First Nations equity participation has become a prominent feature of how these projects are structured.

NORTHWEST BRITISH COLUMBIA: SELECTED PROJECTS

PROJECT	PROPONENT	STATUS (SEPT. 2026)
LNG Canada Phase 2, Kitimat	LNG Canada joint venture	Referred to MPO; FID targeted for 2026
Ksi Lisims LNG, Pearse Island	Nisga'a Nation, Western LNG, Rockies LNG	Referred to MPO; FID targeted for 2026
Cedar LNG, Kitimat	Haisla Nation and Pembina	Floating facility hull launched in 2026
North Coast Transmission Line	BC Hydro	Referred to MPO; up to $3.9B federal support (Phases 1–2)
Red Chris Mine Expansion	Newmont and Imperial Metals	Referred to MPO; $500M federal investment
Ridley Island Export Logistics	Prince Rupert Port Authority; Ray-Mont Logistics	108 acres; operations scheduled for 2026
Ridley Island Energy Export Facility	AltaGas and Vopak	Operations scheduled by end of 2026

SOURCE Prime Minister of Canada (July 2, 2026); Major Projects Office; Province of B.C. Major Projects; EnergyNow (June and Sept. 2026); Reuters (Sept. 18, 2026); Natural Gas Intelligence (May 2026); Prince Rupert Port Authority; trade press.

Airports as Economic Districts

Airport authorities hold some of the largest contiguous, serviceable land holdings in their regions. The International Cargo Hub at Edmonton International Airport shows how that land can be activated.

On May 13, 2026, the federal Minister of Transport marked the groundbreaking of the International Cargo Hub at Edmonton International Airport, funded under the National Trade Corridors Fund. The federal government had committed up to $100 million toward the project, which the airport values at about $300 million and which is intended to convert approximately 2,000 acres southwest of the airfield into a global cargo and logistics operation. The airport authority's project description contemplates base services and utilities, airside infrastructure, runway connections and groundside facilities with building footprints of roughly 230,000 to 550,000 square feet. The federal government estimates about 800 construction jobs and 250 airport jobs.

The project reflects a broader pattern. Many airport authorities are now treating land not required for aeronautical operations as an economic district, generating ground lease revenue that supports operations and capital programs while attracting logistics, advanced manufacturing, energy and hospitality uses that benefit from proximity to air cargo and highway networks. The Trade Diversification Corridors Fund lists airports among eligible trade-enabling infrastructure.

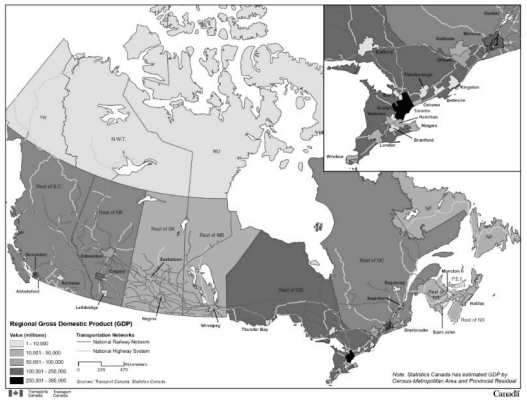
Activation is rarely straightforward. At the larger airports, land is generally federally owned and leased to the airport authority, which constrains tenure and requires alignment with airport land-use plans and aviation safety requirements. Servicing is often the largest single barrier, and it frequently depends on agreements with adjacent municipalities whose tax base and infrastructure are directly affected.

Regional airports face the same questions with fewer resources. For them, a market-tested land-use program and a realistic phasing and servicing strategy are generally prerequisites for attracting either tenants or senior government funding.

AIRPORT LAND ACTIVATION: TYPICAL PROGRAM ZONES

ZONE	TYPICAL USES	KEY CONSIDERATIONS
Airside-adjacent	Air cargo, maintenance and repair, ground handling	Airside access, security, height limits
Groundside logistics	Distribution, cold chain, e-commerce fulfilment	Highway access, truck staging, servicing capacity
Energy and innovation	Solar, hydrogen, advanced manufacturing	Grid capacity, glare and obstacle limitation
Commercial and hospitality	Hotels, retail, conference, office	Noise contours, market depth, parking
Community interface	Buffers, open space, agriculture	Municipal plans, noise exposure, drainage

Illustrative framework prepared by Urbanics; not specific to any airport.



SOURCE Transport Canada, Transportation in Canada 2024 (tc.canada.ca). Provincial and territorial GDP and the national transportation network (French-language edition of the map).

04

Energy, Industry & Nation-Building

Federal legislation now allows projects of national interest to proceed through a single coordinated approval process. In British Columbia and Alberta the list of such projects is growing, and its effects are likely to extend well beyond the project sites.

NATION-BUILDING PROJECTS IN THE WEST
ALBERTA'S POWER QUESTION
WHAT INVESTMENT-READY LOOKS LIKE

LIZARD RANGE, FERNIE, BRITISH COLUMBIA

Nation-Building Projects in the West

Five projects in British Columbia and an interprovincial pipeline proposal from Alberta are now before the federal Major Projects Office.

The Major Projects Office, established in August 2025 and headquartered in Calgary, coordinates federal approvals and financing for projects referred under the Building Canada Act. As of September 1, 2026, the projects referred in British Columbia and Alberta were the six shown in the table, including the West Coast Oil Pipeline proposed by the Government of Alberta.

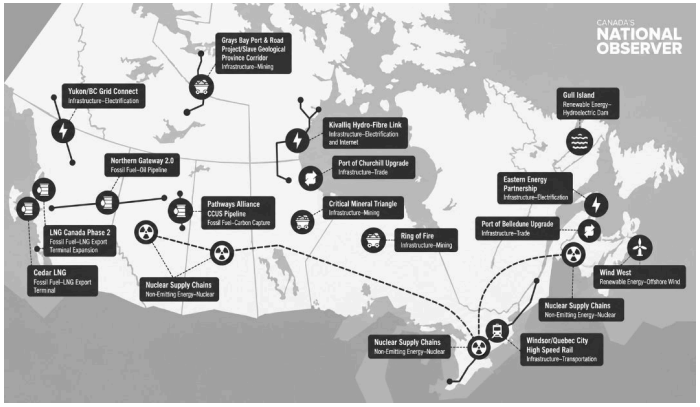
On October 1, the West Coast Oil Pipeline, now named Pacific Link, became the first project designated in the national interest. It would carry one million barrels per day of crude oil about 1,200 kilometres from Bruderheim to a deepwater port near Delta, where infrastructure at Roberts Bank would be expanded. Its proposed corridor would largely follow the existing Trans Mountain route and would not require changes to the Oil Tanker Moratorium Act. The Alberta Petroleum Marketing Commission and Trans Mountain would each own 45% and Pembina 10% through construction, and Indigenous communities are to be offered at least 10%. The estimated cost is $35.2 billion to $43.7 billion. The federal government referred the proposal on July 2; conditions for construction are due by September 1, 2027, with operation targeted for 2032–33. The proposal builds on the Canada–Alberta memorandum of understanding of November 2025. Designation is not a final investment decision; the project has no private proponent yet.

Listing a project does not displace the Crown's duty to consult, and the governments involved have committed to early and meaningful engagement with affected Indigenous communities. The federal framework is also intended to create equity ownership opportunities for Indigenous communities in nation-building projects.

For municipalities along these corridors, the effects are likely to include construction workforce accommodation, traffic and servicing demands, industrial land requirements for suppliers and fabricators, and potential changes to the assessment base. These effects are generally best addressed through early fiscal impact analysis and negotiated community benefit arrangements rather than after construction has begun.

PROJECTS REFERRED TO THE MAJOR PROJECTS OFFICE: BRITISH COLUMBIA AND ALBERTA

PROJECT	PROPONENT	SECTOR
LNG Canada Phase 2 (Kitimat)	LNG Canada	Energy
Ksi Lisims LNG (Pearse Island)	Western LNG, Nisga'a Nation, Rockies LNG Partners	Energy
North Coast Transmission Line	BC Hydro	Electricity
Red Chris Mine Expansion	Newmont Mining and Imperial Metals	Mining
Roberts Bank Terminal 2 (Delta)	Vancouver Fraser Port Authority	Transportation
Pacific Link pipeline (Bruderheim area to Roberts Bank area)	Government of Alberta	Energy



DATA Projects listed by the Major Projects Office as referred, page updated Sept. 1, 2026; Pacific Link designated Oct. 1, 2026
SOURCE Canada's National Observer; CBC News (Oct. 1, 2026); project data from the Major Projects Office, Government of Canada, as of September 1, 2026. Projects referred to the federal Major Projects Office across Canada.

Alberta’s Power Question

Requested data centre load now exceeds one and a half times Alberta’s peak electricity demand. New rules determine who connects, and on what terms.

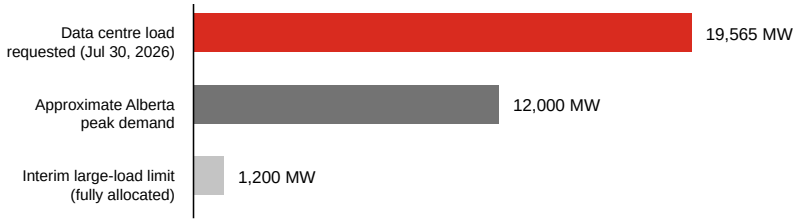
According to the Government of Alberta, companies have asked to connect roughly 19,565 megawatts of new data centre load, based on the Alberta Electric System Operator’s connection list as of July 30, 2026. Alberta’s peak demand is approximately 12,000 megawatts. In 2025 the AESO set an interim limit of 1,200 megawatts of large load that could be connected reliably by 2028; that capacity has been fully allocated to two projects in the Edmonton region.

The province’s Data Centre Regulation, filed on June 9, 2026, establishes the framework for how large data centres connect to and operate within the electricity system. Projects that pair their demand with dedicated new generation or storage receive priority in the connection process, while projects relying solely on the grid are likely to wait longer. Separate legislation introduces a levy, effective December 31, 2026, applicable to data centres with capacity of 75 megawatts or more. The largest project to date, in Sturgeon County, pairs a grid connection with the 932-megawatt Greenlight Electricity Centre, a $4.6 billion gas-fired generating station that reached a final investment decision in July.

For rural municipalities and counties, these developments raise questions that most land-use bylaws were not written to answer. They include siting criteria for facilities that combine a data centre with on-site power generation; the assessment and taxation of that generation; the servicing, water and road requirements of construction and operation; and the financial security needed to ensure decommissioning if a project does not proceed as planned.

Municipalities that establish policy frameworks in advance, supported by criteria-based site suitability mapping and fiscal impact analysis, are better placed to compete for this investment on their own terms rather than responding application by application.

REQUESTED DATA CENTRE LOAD FAR EXCEEDS GRID CAPACITY



DATA Data centre load requested (AESO connection list, July 30, 2026); approximate Alberta peak demand; AESO interim large-load limit
SOURCE Government of Alberta, AI Data Centres in Alberta (Aug. 2026); AESO; McCarthy Tétrault; Osler (July 2026); Gowling WLG (Jan. 2026)

QUESTIONS FOR COUNCILS

Where should data centres with on-site generation be permitted, and based on what criteria? How will on-site generation be assessed? What security is required for decommissioning? What is the thirty-year net fiscal position of the servicing required?

What Investment-Ready Looks Like

Across ports, airports, data centres and resource corridors, the projects that advance tend to share a common set of attributes.

The funding programs and approval processes described in this issue share a consistent logic. Capital, whether public or private, tends to favour projects that can demonstrate market demand, have secured or can secure the land and servicing they require, have identified their partners and governance, and can show how they will be financed. The Local Impact Stream of the Build Communities Strong Fund, for example, has prioritized projects that are shovel-ready, have confirmed funding from other sources and can demonstrate economic benefits. Transport Canada's Trade Diversification Corridors Fund applies similar tests at a larger scale.

Many public bodies hold strong assets but lack one or more of these elements. A port may control land without an approved plan for its use; a municipality may have an industrial area structure plan without a servicing strategy; an airport may have demonstrable demand but no development partner; a First Nation may have designated lands and a clear vision but no financing structure.

The self-assessment opposite sets out the questions that funders, lenders and prospective partners are likely to ask, and the evidence typically required to answer them. It is intended as a practical tool for executive teams preparing for the funding and investment opportunities described in the next chapter.

INVESTMENT-READINESS SELF-ASSESSMENT

DIMENSION	THE QUESTION TO ANSWER	EVIDENCE TYPICALLY REQUIRED
Market	Is there demonstrated demand, by use and phase?	Market and absorption analysis; letters of interest
Land and tenure	Is the land available, and on what terms?	Title or lease terms; disposition policy
Policy	Is the use permitted, or is the approval path clear?	Plan and zoning alignment; federal land-use plan where relevant
Servicing	Can the site be serviced, at what cost, and who pays?	Servicing concept; cost estimate; cost-sharing agreements
Financial	Does the project work under realistic assumptions?	Pro forma; sensitivity analysis; residual land value
Structure	Who will own, build and operate it?	Partnership options analysis; governance framework
Capital	How will each layer of the capital stack be filled?	Funding strategy; program alignment; lender feedback
Partnership	Are rights-holders and communities engaged as partners?	Engagement record; benefit or equity agreements
Fiscal impact	What is the long-term effect on the owner's finances?	Fiscal impact model; 20- to 30-year net position

SOURCE Urbanics Consultants Ltd., drawing on published program criteria

05

Following the Money

Senior governments have opened several significant funding programs in 2026. Most are competitive, many have fixed intake windows, and nearly all reward preparation.

THE 2026 FUNDING MAP
WHAT FUNDERS NOW EXPECT
PROVINCIAL FISCAL POSITIONS DIVERGE
DATES TO WATCH



LANTZVILLE, VANCOUVER ISLAND, BRITISH COLUMBIA

The 2026 Funding Map

Selected federal and provincial programs relevant to ports, airports, municipalities and Indigenous development corporations in British Columbia and Alberta.

PROGRAM	ADMINISTERED BY	SCALE	WHAT IT SUPPORTS	STATUS AND TIMING
Build Communities Strong Fund: Community Stream	Provinces; UBCM in B.C.	$2.5B per year nationally; B.C. over $326M in 2026–27	Local infrastructure and capacity-building	Ongoing formula funding
Build Communities Strong Fund: Provincial & Territorial Stream	Provinces and territories	$17.2B over 10 years	Housing-enabling, health-related and post-secondary infrastructure	Conditional on cost-matching and development-charge reductions
Build Communities Strong Fund: Local Impact Stream	PacifiCan (B.C.); PrairiesCan (Alta.)	Typically $125,000 to $1M; up to 50% of costs	Community infrastructure, public spaces, shared economic assets	Continuous intake; PrairiesCan first call closed July 17, 2026
Trade Diversification Corridors Fund	Transport Canada	$5B; Stream 3 prioritizes requests under $25M	Ports, rail, airports, highways and logistics infrastructure	Streams 1 and 2 closed; Stream 3 (Supporting Regional Growth) closes Sept. 25, 2026, 5 p.m. ET
Build Canada Homes	Federal agency transitioning to Crown corporation	Initial $13B capitalization	Affordable, supportive and community housing; public-land partnerships	Partnerships announced on a rolling basis
Indigenous Loan Guarantee Program	Canada Indigenous Loan Guarantee Corporation (CDEV)	$10B; guarantees of $20M to $1B	Indigenous equity in major projects, all sectors except gaming	Open
Alberta Indigenous Opportunities Corporation	Government of Alberta	$3B loan guarantee capacity	Indigenous equity in resource, agriculture, telecommunications and transportation projects	Open
Strategic Investments Special Account	Province of British Columbia	$400M	Attracting investment in clean energy and resource development	Announced in Budget 2026
Manufacturing and Processing Investment Tax Credit	Province of British Columbia	15% refundable (temporary)	Buildings, machinery and equipment used in manufacturing and processing	Announced in Budget 2026

Program parameters summarized from public sources as of September 22, 2026. Confirm current terms, eligibility and deadlines with the administering agency before applying.

Source: Housing, Infrastructure and Communities Canada; UBCM; PacifiCan; PrairiesCan; Transport Canada; Build Canada Homes; CDEV; Alberta Indigenous Opportunities Corporation; B.C. Budget 2026

What Funders Now Expect

Criteria across federal programs have converged on a small number of tests. Projects that address these requirements before intake opens are better positioned to compete for funding.

Four themes recur across the programs summarized on the previous page.

Readiness. The first PrairiesCan intake under the Local Impact Stream prioritized projects with significant construction activity in the 2026–27 season, all required permits, completed environmental assessments, detailed designs and an execution plan, and required projects to be complete and available for public use by March 31, 2030. Projects at the concept stage are unlikely to compete in such windows.

Leverage. Federal programs generally expect other sources of capital to be confirmed. The Provincial and Territorial Stream requires provinces to cost-match federal contributions, and the Local Impact Stream generally funds no more than half of eligible costs.

Policy alignment. Access to the largest housing-enabling streams is tied to development charge reductions where charges pose a barrier to housing and to avoiding new fees that could hinder housing supply. Applicants must be able to show how a project fits those conditions.

Partnership and evidence. The Trade Diversification Corridors Fund emphasizes collaborative, multi-stakeholder solutions and demonstrated economic benefit, while federal and provincial Indigenous loan guarantee programs have made Indigenous equity participation a practical option across a wide range of projects.

The common requirement is a project that has been defined, tested and structured before the funding window opens.

AN INDICATIVE PREPARATION TIMELINE

BEFORE INTAKE	WORK TO COMPLETE
12 months or more	Market and needs evidenceLand and tenure strategyEarly engagement with First Nations and partners
6 to 12 months	Preferred option and programServicing concept and preliminary cost estimatePartner and funder discussions
3 to 6 months	Pro forma and fiscal impact modelCapital stack and funding strategyGovernance and partnership terms
0 to 3 months	Application narrative and business caseLetters of supportCouncil, board or Chief and Council resolutions

Indicative only; requirements and lead times vary by program.

SOURCE PrairiesCan Local Impact Stream call (via Alberta Municipalities and GrantMatch, June 2026); Province of B.C. (Apr. 1, 2026); Transport Canada TDCF applicant guide

Provincial Fiscal Positions Diverge

British Columbia's deficit has widened, while higher oil prices have moved Alberta's forecast to a surplus. In both provinces, municipalities and public agencies should expect greater reliance on federal and partnership capital.

British Columbia's first quarterly report of September 14 raised the 2026–27 deficit forecast to $13.8 billion from $13.3 billion at budget, with deficits of about $11.5 billion still projected for 2028–29. The 2025–26 deficit was $7.7 billion. Taxpayer-supported debt is projected to rise from 26.1% of GDP in 2025–26 to 37.4% by 2028–29. The budget provides $37.7 billion in taxpayer-supported capital over three years, including $13.8 billion for transit and transportation, and the government has described its approach as a strategic re-pacing of the capital plan.

Alberta's Budget 2026 projected a $9.4 billion deficit for 2026–27, assuming West Texas Intermediate crude at US$60.50 per barrel. With oil prices elevated by the conflict in the Middle East, the August 27 first-quarter update now forecasts a $2.0 billion surplus, although the government has cautioned that resource revenue remains volatile.

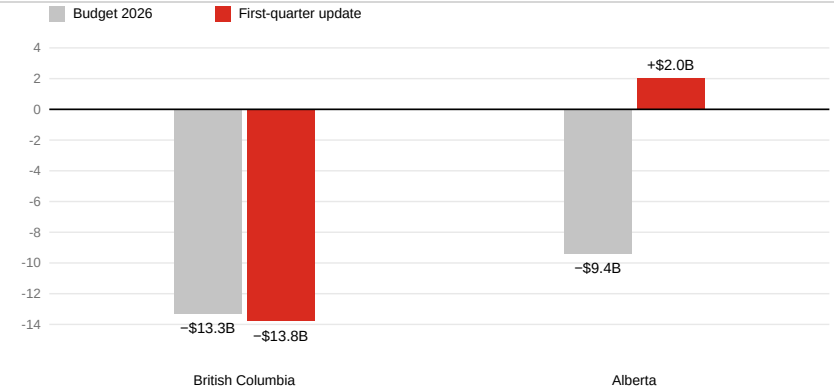
Neither province is withdrawing from infrastructure investment. Both, however, have signalled caution in capital spending, while federal programs are expanding and generally require provincial and local cost-sharing. In British Columbia, Premier David Eby called an early provincial election on September 22 for October 24, which may affect the timing of provincial capital and funding decisions. The next government may also revisit the re-paced capital plan and the province's approach to major projects.

The practical consequence for local governments, port and airport authorities and Indigenous development corporations is that provincial grants are unlikely to be the primary source of capital for new growth-related infrastructure over the next several years. Projects will more often need to combine federal contributions, borrowing, user revenues, land value and private or Indigenous equity. Structuring those combinations is likely to become a core competency for public asset owners.

PROVINCIAL BUDGET BALANCES

$37.7BB.C. TAXPAYER-SUPPORTED CAPITAL, THREE YEARS TO 2028–29B.C. BUDGET 2026

US$73.50WTI ASSUMPTION IN ALBERTA'S FIRST-QUARTER UPDATE (US$60.50 AT BUDGET)ALBERTA 2026–27 FIRST QUARTER FISCAL UPDATE



DATA 2026–27 budget balance, $ billions; Budget 2026 estimate and first-quarter update
SOURCE B.C. Budget 2026 Fiscal Plan and 2026–27 First Quarterly Report (Sept. 14, 2026); Alberta Budget 2026 and 2026–27 First Quarter Fiscal Update (Aug. 27, 2026); RBC Economics; TD Economics; CPABC; CBC News (Sept. 22, 2026)

Dates to Watch | Autumn 2026

Scheduled and expected events over the coming two quarters that bear on land, infrastructure and investment decisions in British Columbia and Alberta.

DATE	EVENT	WHY IT MATTERS
September 25, 2026	Trade Diversification Corridors Fund, Stream 3 (Supporting Regional Growth) application deadline	Funding for regional trade-enabling transportation projects
Late September 2026 (expected)	Statistics Canada updated population estimates	Potential revisions to the recent population declines, with implications for growth forecasts
October 1, 2026	Pacific Link pipeline designated a project of national interest; RBT2 comment period closes	Corridor, terminal and municipal effects in Alberta and British Columbia
October 17 and 24, 2026	British Columbia general local elections (Oct. 17) and provincial general election (Oct. 24)	New councils and boards and the next provincial government will set strategic plans and capital priorities for 2027–2030
October 19, 2026	Alberta provincial referendum (ten questions)	Signals on provincial policy direction; attention from investors and lenders
October 28, 2026	Bank of Canada rate decision and Monetary Policy Report	Updated outlook for interest rates, growth and inflation
By October 31, 2026	Federal Fisheries Act decision on Roberts Bank Terminal 2	A key remaining permit for the terminal
October to December 2026 (targeted)	Final investment decisions on LNG Canada Phase 2 and Ksi Lisims LNG	Workforce, housing and servicing demand in northwestern British Columbia
December 31, 2026	Alberta levy on data centres of 75 MW or more takes effect	Data centre economics and siting decisions
February 10, 2027	Release of 2026 Census population counts	Re-basing of growth forecasts and formula-based funding
Ongoing	Roberts Bank Terminal 2 listing decision; Fraser Wharves operator selection	Demand for port-related industrial and logistics land

Source: Transport Canada; Statistics Canada; Major Projects Office; White House proclamations (Sept. 8, 2026); Vancouver Fraser Port Authority; Elections BC and local government notices; Elections Alberta; Bank of Canada; Reuters; CBC News; EnergyNow; Gowling WLG

06

Perspective: The Underutilized Public Balance Sheet

Public bodies in Western Canada hold land whose economic value is rarely stated. With provincial capital re-paced and federal funding favouring projects that are ready, well-located public land may be the most valuable contribution a public body can bring to a partnership.



THE UNDERUTILIZED PUBLIC BALANCE SHEET
TEN QUESTIONS FOR PUBLIC LANDOWNERS

OGDEN POINT, VICTORIA, BRITISH COLUMBIA

The Underutilized Public Balance Sheet

BY By Ali Sarpoushan, MBA, MScIB, Managing Director

Public bodies in Western Canada own a remarkable range of land: port and airport reserves, municipal works yards and surplus rights-of-way, industrial parks that were planned but never serviced, hospital and school sites that have outgrown their original use, and reserve and treaty lands held by First Nations with clear development ambitions. On most public balance sheets this land is recorded at historical cost, if it is recorded at all. Its economic value, and its potential to fund public objectives, is rarely stated.

The conditions of 2026 make that omission more costly. Provincial capital is being re-paced in British Columbia and remains exposed to commodity prices in Alberta. Federal funding is substantial but conditional, and it favours projects that are ready. Long-term capital from pension funds, insurers and infrastructure investors continues to seek stable, long-dated real assets. Indigenous development corporations now have access to loan guarantees that make meaningful equity participation feasible. In this environment, well-located public land is often the most valuable contribution a public body can bring to a partnership, and the one it controls most directly.

Why value goes unrealized

In our experience, the value of public land is most often lost not through poor decisions but through incomplete ones. Four patterns recur. The first is a plan without a program: a vision or land-use plan that has not been translated into specific uses, quantities and phases grounded in market demand. The second is a program without a financial case: uses that have not been tested against development costs, servicing costs and achievable rents or prices. The third is a financial case without a structure: a project that appears feasible but lacks a defined approach to ownership, risk allocation and governance. The fourth is a structure without capital: a partnership framework that has not been aligned with the funding programs, lenders and investors needed to fill each layer of the capital stack.

A more complete approach

Realizing the value of public land generally requires those four elements to be developed together. Market and demand analysis establishes what can be built and when. Highest and best use and financial analysis establish what the land is worth under alternative scenarios and what the public owner gives up or gains under each. Partnership structuring determines whether value is best captured through a long-term ground lease, a joint venture, a phased disposition, an outright sale, or a combination. Capital stack design aligns the project with the specific programs, lenders and equity partners available to it.

Retaining long-term value

The choice of structure has lasting consequences. A ground lease preserves public ownership and can generate long-term revenue, but it may reduce the price a developer is prepared to pay and must be drafted carefully to remain financeable. A joint venture allows the public owner to share in the upside, but it also shares risk and requires governance capacity. Value capture tools, including amenity cost charges and density bonusing in British Columbia and off-site levies and community revitalization levies in Alberta, allow municipalities to recover a share of the land value created by public decisions and investment. Each has a role, and none is universally superior.

Governance matters as much as finance

A carefully structured transaction is unlikely to endure without clear governance: defined decision rights, transparent reporting, and alignment with the policies and priorities of councils, boards and Nations. For public bodies, a partnership is also a public trust, and it should be designed to withstand changes in leadership and in market conditions.

The public bodies that inventory their land, understand its value and prepare it deliberately for partnership are likely to be best positioned to direct the investment now moving through Western Canada toward their own objectives.

TEN QUESTIONS EVERY PUBLIC LANDOWNER SHOULD BE ABLE TO ANSWER

01	What land do we own, and what is each parcel's current and potential use?
02	Which parcels are surplus, under-used, or strategically important to retain?
03	What is the market demand for each potential use, and over what timeframe?
04	What is each parcel worth under alternative development scenarios?
05	What servicing is required, what will it cost, and who should pay?
06	Which structure (lease, joint venture, phased disposition or sale) best balances return, risk and control?
07	Which funding programs could each project realistically access, and when?
08	Which partners, including First Nations, institutional investors and developers, are aligned with our objectives?
09	What is the long-term fiscal impact of each option on our budget?
10	What governance framework will protect the public interest over the life of a partnership?

07

Urbanics: From Plan to Capital

Since 1976, Urbanics Consultants Ltd. has advised public and private clients across Western Canada on how land can be planned, valued, structured and financed. In our fiftieth year, we continue to combine planning, economics and financial analysis to help clients move from plans to projects.

FIFTY YEARS IN WESTERN CANADA
FROM PLAN TO CAPITAL
DESIGNING THE CAPITAL STACK
WHO WE SERVE
SELECTED ENGAGEMENTS
BEGINNING A CONVERSATION

GRANVILLE ISLAND, VANCOUVER, BRITISH COLUMBIA

Fifty Years in Western Canada

A multidisciplinary planning, economics and financial advisory firm, founded in Vancouver in 1976.

Urbanics was founded in 1976 by Phil Boname whose ideas were instrumental in the creation of the Granville Island Public Market and Whistler Village, and whose work extended across Canada and to the United States, France and China. Phil believed that successful places create connection, discovery and opportunity, and that conviction remains central to the firm.

That legacy is carried forward by the firm today, with its work strengthened in strategy, partnership structuring and long-term community building. Today Urbanics is a multidisciplinary firm based in Vancouver, with senior staff in British Columbia and Alberta and an established network of engineering, transportation and cost consulting partners for projects that require specialized technical input.

Over five decades the firm has served 61 municipalities, 59 institutional clients, 103 private-sector developers, investors and retailers, and 19 First Nations communities. Its work spans feasibility studies and implementation frameworks; commercial and residential needs assessments; highest and best use analysis; fiscal impact and cost recovery studies; industrial land strategies; tourism and hospitality studies; Indigenous planning and advisory work; and capital markets and partnership structuring.

1976 Year founded, Vancouver	**61** Municipal clients across Canada and the U.S.	**59** Institutional clients
103 Private-sector clients	**19** First Nations communities served	**50** Years of practice in 2026



GRANVILLE ISLAND, VANCOUVER

The island as an industrial district prior to its redevelopment. Beginning in 1977, Urbanics prepared the market and financial feasibility studies for the redevelopment program. Source: Urbanics Consultants Ltd., Granville Island Development and Impact Studies (urbanics.com/projects)

From Plan to Capital: How We Work

Our engagements are organized around five stages. Clients may engage us for a single stage or for the full sequence.

1. Diagnose. We inventory the assets, constraints, policy context and objectives, and establish what the owner is trying to achieve. The output is a clear statement of the opportunity and of the questions that must be answered.

2. Program. We test market demand, absorption and highest and best use to define what should be built, in what quantities and in what sequence. The output is a market-grounded development program.

3. Structure. We evaluate ownership and partnership options, from ground leases and joint ventures to phased disposition and sale, against the owner's financial, policy and governance objectives. The output is a recommended structure with a defined allocation of risk and return.

4. Capitalize. We design the capital stack, align the project with available funding programs, and prepare the financial case that lenders, investors and funders require. The output is a funding and financing strategy ready for execution.

5. Deliver. We translate the strategy into an implementation framework, including procurement, phasing, fiscal monitoring and any policy amendments required to proceed. The output is an implementation plan that staff, councils, boards and Nations can act on.

Where projects call for servicing analysis, transportation assessment or detailed cost estimation, we work with established engineering and advisory partners so that the resulting studies are integrated and decision-ready.

1	Diagnose	Assets, constraints, policy and objectives
2	Program	Market demand, absorption, highest and best use
3	Structure	Ownership, partnership and governance options
4	Capitalize	Capital stack, funding alignment, financial case
5	Deliver	Implementation, procurement, fiscal monitoring

SOURCE Urbanics Consultants Ltd.

Designing the Capital Stack

The structure of a project's financing determines who bears risk, who shares in value and, often, whether the project can proceed at all.

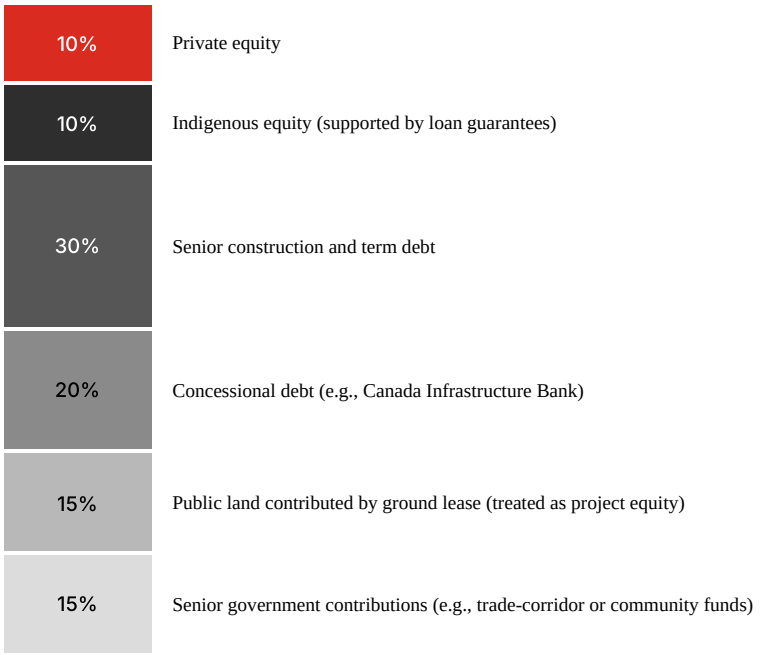
Every development or infrastructure project is financed through layers of capital with different costs, risk tolerances and conditions. Grants and non-repayable contributions carry the lowest cost but the most conditions. The value of public land contributed through a ground lease can function as part of the public owner's economic contribution to a project, allowing the public owner to retain ownership while reducing the cash equity a partner must provide. Concessional debt from agencies such as the Canada Infrastructure Bank can bridge the gap between what commercial lenders will provide and what a project requires. Senior construction and term debt, private equity and, increasingly, Indigenous equity supported by federal or provincial loan guarantees complete the structure.

The sequence in which these layers are secured matters. Grant programs often require evidence that other funding is committed, while lenders require evidence that grants and equity are in place. Resolving that circularity requires a financial model and a funding strategy prepared in parallel, together with early engagement with each prospective funder.

The illustration opposite is not drawn from a specific transaction. It shows how a port-adjacent logistics precinct on public land might combine sources of capital, and how the public owner's land contribution can secure both a long-term revenue stream and a share in the project's success. In practice, the proportions depend on the use, the market, the owner's objectives and the programs available at the time.

AN ILLUSTRATIVE CAPITAL STACK FOR A LOGISTICS PRECINCT ON PUBLIC LAND

Illustrative only; not based on a specific project or transaction.



SOURCE Urbanics Consultants Ltd.

Who We Serve

The questions our clients bring to us, and how we help them answer them.

CLIENT	QUESTIONS THEY BRING TO US	HOW URBANICS HELPS
Port and harbour authorities	How should waterfront and upland land be programmed? Which uses create the most value while supporting the port's mandate? How should partnerships with operators and First Nations be structured?	Demand and highest and best use analysis; long-term financial models across development scenarios; partnership structuring; First Nations economic opportunity analysis
Airport authorities, national and regional	Which non-aeronautical uses can the market support? How should land be phased and serviced? How can ground lease revenue be optimized?	Land use market studies; phasing and servicing strategies; ground lease and developer solicitation frameworks
Municipalities and regional districts	How much land, housing and employment space is needed? How will growth be paid for? How should municipally owned land be used?	Housing and commercial needs assessments; industrial land strategies; fiscal impact and cost recovery; value capture and development finance analysis; municipal land strategies
Economic development organizations	How can the community compete for investment? Which sectors and sites should be prioritized?	Investment-readiness assessments; criteria-based site suitability; sector and market studies; business cases for funding applications
First Nations and Indigenous development corporations	How should reserve, designated or treaty lands be developed? What equity opportunities exist in major projects?	Land use and market studies; highest and best use and residual land value; partnership and equity structuring
Institutions and Crown landowners	Which assets are surplus? How can land support the institution's mission?	Portfolio review; highest and best use; disposition and partnership strategy

Selected Engagements

Ports, airports and public landowners



Greater Victoria Harbour Authority

BREAKWATER DISTRICT AT OGDEN POINT, VICTORIA, B.C.

Demand analysis and long-term financial modelling for harbour-owned waterfront property, testing a range of development scenarios and assessing economic opportunities for the Songhees and Esquimalt Nations.

Urbanics Consultants Ltd., Harbour District Study (urbanics.com/projects)



Fort McMurray Airport

FORT MCMURRAY, ALBERTA

Land use and market study of airport lands, informing the authority's approach to programming and phasing non-aeronautical development.

Urbanics Consultants Ltd., Fort McMurray Airport Land-Use Marketability Study (urbanics.com/projects)



Yellowhead County

ALBERTA

Demand analysis and feasibility assessment for municipally owned land, informing the county's approach to land-use concepts and to recreation and tourism development.

Urbanics Consultants Ltd., Yellowhead County Study (urbanics.com/projects)



Providence Health Care

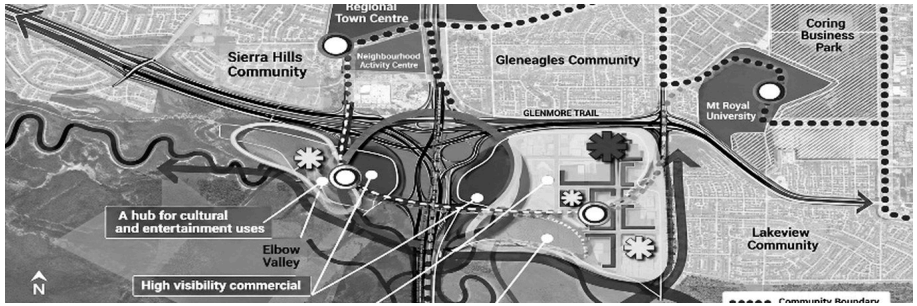
ST. PAUL'S HOSPITAL PRECINCT, VANCOUVER, B.C.

Feasibility and land economics advice to an institutional landowner, assessing development options for lands held.

Urbanics Consultants Ltd., Feasibility Study (urbanics.com/projects); rendering: Providence Health Care

Selected Engagements

First Nations, trade corridors and emerging sectors

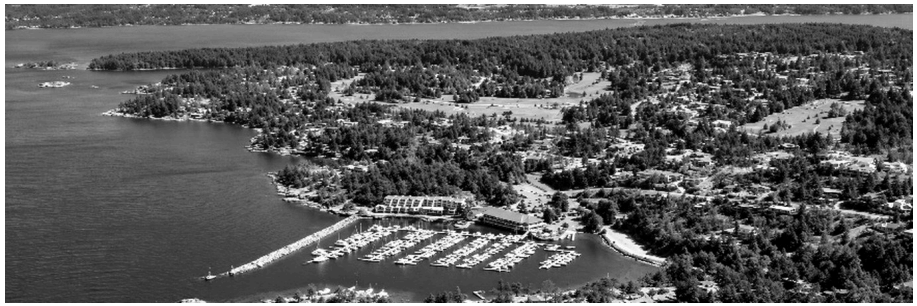


Tsuut'ina Nation

CALGARY REGION, ALBERTA

Market studies of designated lands, assessing opportunities across office, light industrial, hospitality, retail, entertainment and residential uses.

Urbanics Consultants Ltd., Taza Land-Use Marketability Studies (urbanics.com/projects)



Snaw-Naw-As First Nation

LANTZVILLE, B.C.

Highest and best use study of Nation-owned land, evaluating industrial, office, hotel, residential and retail opportunities.

Urbanics Consultants Ltd., Snaw-Naw-As (Nanoose) Lands Market Land Use Study (urbanics.com/projects)



City of Cranbrook

CRANBROOK, B.C.

Supply chain and business case analysis for municipal and airport lands, examining the community's role in regional trade and logistics and the investment required to support it.

Urbanics Consultants Ltd., Supply Chain Study (urbanics.com/projects); photograph: City of Cranbrook



Alberta County (confidential)

ALBERTA

Data centre policy framework addressing land-use criteria, on-site power generation and decommissioning security, with follow-on site suitability and fiscal impact analysis.

Urbanics Consultants Ltd. Illustrative image; client and site withheld at the client's request.

Beginning a Conversation

A confidential working session for senior leaders responsible for public land and infrastructure.

Urbanics offers senior leaders of port and airport authorities, municipalities, regional districts, economic development organizations and Indigenous development corporations a confidential Asset Activation Briefing. The briefing is a working session of approximately ninety minutes, provided without charge, in which our senior team reviews the organization's land and infrastructure holdings, the funding programs and approval processes relevant to them, and preliminary options for programming and structuring.

The purpose of the briefing is to help leadership teams identify where value may be available, what evidence would be required to realize it, and which decisions should be sequenced first. It does not presuppose any further engagement.

Briefings may be arranged by contacting Ali Sarpoushan, Managing Director, at ali@urbanics.com or 604-722-9144.

A BRIEFING TYPICALLY COVERS

- An overview of the organization's land and infrastructure holdings and current plans
- Funding programs, intake windows and approval processes relevant to those holdings
- Preliminary programming, partnership and capital structuring options
- The evidence and sequencing required to move from plan to project

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IN THE NEXT ISSUE

The Winter 2026 issue of Terrain will examine the results of the British Columbia provincial and local elections and their implications for housing and growth policy, the investment decisions expected in northwestern British Columbia, and a comparative review of the land value capture tools available to municipalities in both provinces.

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