Final Report

Creative Industries Hub Feasibility Study

Prepared for: Economic Development Lethbridge

April 17, 2026

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Economic Development Lethbridge enlisted Nordicity to explore the feasibility of a Creative Industries Hub to support Southwest Alberta's creative economy. The aim was to explore how such a Hub could **support sustainable economic impact by building an ecosystem that offers Southwest Alberta's creative industry professionals stable, year-round employment** and ensuring that the region can host and service visiting productions. The underlying vision for a hub would be to help position Southwest Alberta as Alberta's third hub for creation, alongside Calgary and Edmonton.

Definitions

For this project, the "creative industries" refer to film, digital media, content creators, e-sports, and game development. Film, television and video, along with video games and interactive digital media (IDM), are the focus of this study and the proposed Creative Industries Hub in Southwest Alberta. While these industries are distinct, they share resources, funding sources, and strong links.

While a "creative hub" is sometimes defined simply as a multi-tenant facility that brings together creative professionals, this study uses a broader definition that allows for flexibility and adaptability as the creative industries in Southwest Alberta evolve:

> A creative hub is a physical and/or virtual space, or a convening organization, that brings the creative community together by providing shared tools and resources, while fostering collaboration, supporting business development, and enabling ongoing community engagement.

Methodology

The feasibility study followed a mixed-methods research methodology involving desk research and primary research, followed by qualitative and quantitative analysis. The research involved a document and trends review, creating an inventory of creative industry organizations and companies in the region based on desk research and mapping their locations, an online industry survey, industry round tables, and interviews. Nordicity worked with EDL to ensure diverse representation from across Southwest Alberta's creative industries, including interest-holders from Indigenous, BIPOC, and rural communities, and emerging talent.

Key Findings

Regional Creative Industries Profile and Strengths

- Although creative industry activity in Alberta is largely concentrated in Calgary and Edmonton, various active professionals, small companies, and specialized post-secondary programs are based in Southwest Alberta.
- Organizations like Screen Lethbridge and Lethbridge Game Developer Guild, Indigitech Destiny, and BIPOC Foundation help to convene and develop the creative industries community in Lethbridge and the wider region. The Regional Innovation Network of Southern Alberta (RINSA) supports these goals with initiatives such as hosting the 2024 Alberta E-Sports Championship. Additionally, events like the Lethbridge Film Festival contribute to exhibition, networking, and community-building for screen-based and visual artists.
- The University of Lethbridge and Lethbridge Polytechnic (formerly Lethbridge College) offer programs in film production, media arts, digital design, and game development, creating a steady pipeline of graduates in the creative industries.
- The region's location within Treaty 7 territory and proximity to the Blackfoot Confederacy presents a distinct strength in Indigenous-led creative development.
- Lethbridge benefits from a relatively low cost of living compared to Calgary and Edmonton and larger markets like Vancouver and Toronto, which can make it an attractive base for independent creators, entrepreneurs, and remote workers.

Building on Southwest Alberta's existing strengths
Southwest Alberta could emerge as a cost-effective jurisdiction for lower-budget and digital-first productions, such as vertical content (e.g., micro dramas). As Canada's federal streaming regulations evolve, there may also be increased opportunities to attract domestic production activity. Additionally, immersive media could present niche growth opportunities aligned with the region's capacity, and the smaller scale of the local ecosystem may foster opportunities for cross-disciplinary collaboration.

Sector Needs, Gaps, and Opportunities

Industry Coordination

The creative industries in Southwest Alberta are fragmented, with activity distributed across multiple sub-sectors, organizations, and informal networks that operate largely independently of one another. While supports exist across post-secondary institutions, economic development organizations, industry groups, and Indigenous-led initiatives, they operate largely within sub-sector silos and without a shared layer of coordination tying them together. This lack of visibility and coordination means that the programs and expertise in the region are underutilized, as potential users are often unaware or unsure how to engage.

Market Scale

Creative talent exists across Southwest Alberta, but the overall scale of the sector is small, with activity concentrated among solo practitioners and small companies. The current ecosystem lacks sufficient depth to support a broad and stable workforce. Stakeholders pointed to a “thin middle layer,” with few companies large enough to provide stable employment, repeat contracts, or mentorship opportunities. The limited volume of work and clients in the region constrains new company creation and second-stage growth, creating a cycle in which constrained opportunities limit company growth, and limited company growth further reduces opportunities – especially in creative sub-sectors that rely on in-person production.

Opportunity: Position the Hub as a mechanism to support more consistent work and career progression by strengthening connections between practitioners and firms, and supporting firm maturation through targeted business supports.

Skills Development and Talent Retention

Consultations indicate that while post-secondary institutions in the region are producing talented graduates, there are limited mechanisms to support continued skill development and transitions into careers. The region offers few structured opportunities to build on-the-job competencies or industry-specific business capabilities. As a result, many new creative workers lack the kind of practical, industry-specific business skills that they might learn outside a post-secondary setting, in areas like pitching, contracting, and dealing with funders and external partners, or working on set. These conditions create ongoing challenges for talent retention. While the region is producing skilled graduates, many leave for larger cities where there are more companies and higher production volume.

Opportunity: Boost graduate retention in Southwest Alberta by creating more consistent points of entry and pathways into professional work through initiatives such as workshops, mentorship, and other practical skills development opportunities, as well as stronger connections to external markets.

Access to Project Funding and Early-Stage Capital

Early to mid-stage creative businesses in the film, television, and video games sectors face difficulty accessing the project financing needed to establish a track record. Stakeholders noted that public funding has become increasingly competitive, while private investment is typically inaccessible without existing networks and demonstrated credibility. Echoing these findings, survey results noted that the top three most pressing needs for those working in the creative industries are securing funding/financing for projects; finding work/business development/sales; and networking/collaboration.

Opportunity: Position the Creative Industries Hub as a bridge to identify funding sources and the strategies to secure them by supporting investment readiness and facilitating connections to external funding and investors. Establishing a Hub would signal strategic coordination of the sector, which may attract increased investment and interest in the region’s creative industries.

Access to Professional-Grade Infrastructure and Shared Equipment

Consultations identified limited access to affordable, industry-standard production space across film, audio, post-production, and interactive media. While some specialized spaces exist in the region, it is spread across post-secondary institutions, a few individual companies, and small organizations – meaning it is either inaccessible for external users or only informally available based on existing relationships. As a result, workers often piece together spaces and equipment across multiple sources or look to the larger Calgary market to meet their needs. Equipment access presents a similar challenge. Early-career workers and independent creators require professional-grade tools but often cannot justify the upfront cost of ownership given inconsistent project volume.

Almost half of the survey respondents indicated that a Creative Industries Hub with a “small film or video studio” would be useful to them, while a third expressed interest in “high-speed internet and digital infrastructure,” “screening or presentation space,” and “high-performance workstations with licensed creative software.” Post-production suites were desired by just over a quarter of survey respondents.

Opportunity: Establish shared access to professional production space and equipment in Southwest Alberta that is not tied to individual companies or post-secondary institutions, thereby reducing reliance on external markets like Calgary.

Geography and Cultural Barriers to Participation

Southwest Alberta’s geography creates practical barriers to participation in the creative industries. While Lethbridge serves as a node within the region, activity is dispersed across a wide area, making it difficult for practitioners to connect and collaborate regularly. These constraints are more pronounced for First Nations, Métis, and Inuit creatives, whether based in urban, rural, or remote communities. Consulted parties noted that access to the current creative industry activity often depends on the ability to travel to Lethbridge, which is not accessible for many. This geographical challenge can be further exacerbated by culturally unsafe or unwelcoming spaces, where Indigenous and Black creators and People of Colour are often underrepresented and expected to navigate systems that do not reflect their experience or culture.

As for geographic position within the province, proximity to Calgary and Edmonton presents both an advantage and a constraint. While it provides access to two larger markets and more established industry activity, that proximity can also draw talent, projects, and spending away from the Southwest region. Creative workers may rely on those two cities for equipment, infrastructure, collaborators, and work opportunities, rather than seeking to build that capacity locally.

Opportunity: Improve regional coordination through a mix of virtual and in-person programming, ensuring spaces and supports are designed to be culturally safe, inclusive, and reflective of the communities they serve through mechanisms such as representative board governance.

Potential Users

Nordicity's environmental scan and inventory of creative industry assets indicated there are ~**125 businesses, individuals, and creative industry organizations** (**"operators"**) **in the region.** This figure represents activity in the film, television, and video industries, video games, and interactive digital media (IDM), content creation, music, photography, and ancillary creative industries (e.g., architecture, advertising, design, published works). This estimate may omit industry freelancers/hobbyists without public registration or an apparent online presence.

The table below estimates the sector composition of the primary and secondary target markets for operators within Southwest Alberta. These figures reflect the current conditions within the region, and do not reflect the full potential future Hub users. Given the limited estimates of the primary market (film, television, and video industries, video games, and IDM), it is imperative that the secondary market is considered in the development and operation of a Creative Industries Hub in Southwest Alberta.

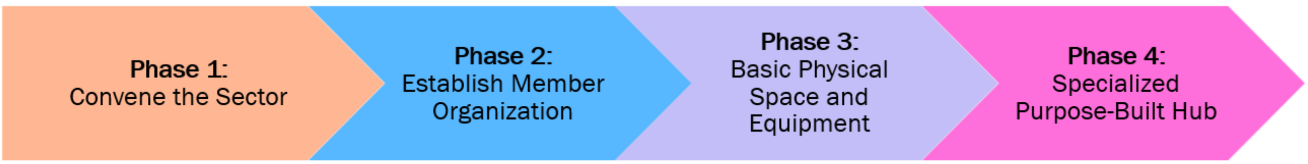
Market	Description	Sectors	Southwest Alberta Estimate
Primary Target Market	The primary market represents those who fall within the traditional scope of the creative industries and the focus of this study. This market represents the primary audience for whom programs and services are intended, and whose needs they are designed to meet.	Film/TV +Video	55
		Video Games and Interactive Digital Media (IDM)	20* *does not include The Lethbridge Game Developers Guild 269 Discord members.
Secondary Target Market	The secondary market represents those who are within the creative industries but are either outside the scope of the study or represent a small market. This market may not be the primary target; however, it includes users who may benefit from and utilize services or programs.	Content Creation	7
		Music, Photography, and Ancillary Creative Industries	49

Participation Rate

Not every individual or business captured within the target market will be able or interested in participating in a Hub. As such, Nordicity estimates that the potential user base, or market size, is **approximately 70 users** based on an assumed participation rate of 30% of primary and secondary operators in Southwest Alberta. It is important to recognize that this number is only an estimate based on the current inventory of businesses/individuals in Southwest Alberta and may grow as the region's population increases, especially if creatives are "priced out" of larger markets like Calgary.

Phased Approach to Build Capacity

Based on Nordicity's assessment, **the most viable path to developing a Creative Industries Hub is to begin with small-scale activities.** This approach is designed to increase sector capacity and further define specific needs in response to the challenges and opportunities identified through consultation before making significant investments in a physical space and equipment. It is anticipated that measurable growth in business activity would occur gradually across **four proposed phases**:



Phase 1: Convene the Sector

The first phase would focus on coordination among interest holders, and opportunities for workers and companies in the creative industries to connect were identified as the primary needs through consultation. Phase 1 is critical for the future success of any subsequent activities or investments, given the relatively small number of workers and companies identified as active in the sector, the geographic size of the area to be served, and the number and range of types of organizations (economic development agencies, post-secondary institutions, arts councils, online forums).

It is assumed that there will be no earned revenue in this phase. Revenue sources may include in-kind contributions from key interest holders, volunteer time (to support coordination, research, web page set up, etc.), and/or project grants from government and/or foundations. These revenue sources are not included in the sample operating plan below. Operating expenses will be minimal and primarily limited to administrative, programming, marketing/outreach, and facility rental. Some salary or wage expenses are anticipated; however, no full-time employees are expected at this stage. Instead, labour is assumed to be provided in-kind by "ad hoc" committee members and other interest holders.

Phase 1 Annual Operating Expenses	Estimated Value
Salaries Expenses	$17,500
Administrative and Facility Expenses	$3,030
Programming Expenses	$6,900
Total	**$27,430**

In Phase 1, operating activity is limited, and expenses are low; however, in the absence of earned revenue, a deficit is assumed to demonstrate that some level of in-kind and/or volunteer support would be required.

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*
Phase 1	$0	$27,430	($27,430)

Sample Capital and Start-up Cost
+$170

* Earnings before interest and taxes

Readiness for Phase 2 will be indicated by:

- Industry demand: The level of repeat participation of creative industries entrepreneurs and workers in networking and information/training sessions; the number of organic referrals to the events.
  - The ad hoc committee will need to determine the minimum level of activity and participation rate (e.g., at least 4 events over 12 months with at 75% capacity; 30-50% of the identified network attending 2+ events in 12 months).
- Value perception: Consistently high participant/attendee satisfaction with Phase 1 offerings and perceived value (e.g., belief in being unable to access that support elsewhere), tracked via surveys.
- Financial viability: Willingness/capacity of the local creative industry community to pay membership and event fees totalling at least $38,000 annually and ability of the organization to secure grants of ~$70,000 annually (in line with Phase 2's sample operating plan, below).

Phase 2: Structure Resources (Establish a Member Organization)

The second phase builds on Phase 1 by establishing a member-led organization (i.e., an industry association) dedicated to convening the sector, providing specialized programs, and advocating for the industry's continued growth. Services and programs provided through a dedicated member-led association could ensure that Southwest Alberta's creative industries community is fully engaged in developing a Hub adapted to their needs.

It is anticipated that some earned revenue will be generated through membership and program fees:

Phase 2 Annual Earned Revenue	Estimated Value
Membership and Programming Revenue	$38,007
Total	**$38,007**

Annual operating expenses will increase in Phase 2 to hire a full-time employee to act as the association's Executive Director, along with a part-time or contracted Administrator/Bookkeeper. Administrative and facility expenses, such as insurance, professional fees (legal, accounting, etc.), and advertising and promotion, will increase to support the operations of an industry association. Programming expenses will also increase, reflecting expanded programming activity, a higher number of events, increased data and information collection, and analysis.

Phase 2 Annual Operating Expenses	Estimated Value
Salaries Expenses	$81,500
Administrative and Facility Expenses	$8,290
Programming Expenses	$15,400
Total	**$105,190**

In Phase 2, the deficit increases as operating expenses rise significantly with the addition of staff and expanded programming. No additional revenue sources (government grants, sponsorships, etc.) are assumed in the sample operating plan. While earned revenue is introduced, there is a large operating gap in the absence of additional public or private revenue sources.

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*
Phase 2	$38,007	$105,190	($67,183)

Sample Capital and Start-up Cost
+$7,200

* Earnings before interest and taxes

Readiness for Phase 3 will be indicated by:

- Organizational stability: Stable membership, finances, and governance participation over 18-36 months.
- Demand: Programs/events often at or near capacity; difficulty securing appropriate venues to meet demand; clear identification of needs that cannot be addressed through existing or virtual resources, such as reported industry demand for space and equipment (e.g., roughly 1/3 members interested in equipment rental) and/or a sizeable number of members interested in shared workspace.
- Membership health/growth: Key performance indicators could include the # of active companies year-on-year, % still active after 1, 3, 5 years; % companies in the membership advancing in maturity stages per year and average time to meet the next maturity stage; project pipeline growth, # of new projects launched per year; # of funded companies/projects and total capital raised (by maturity stage); # of meaningful connections made by organization members/attendees and # of collaborations or hires within X months of joining the organization or attending training/events.
- Industry growth and economic impact: Employment numbers (e.g., # of employees per member company) and revenue estimates per company.
- Financial viability: ~$60,000 in actual membership and programming revenue; ~$65,000 in projected space-related rental revenue and ~$20,000 projected equipment rental revenue (based on members' reported demand and willingness to pay measured via surveys). These targets are based on Phase 3's sample operating plan, below.
- An appropriate physical space (whether permanent or temporary) being available, and public funds being available to move ahead with acquiring and provisioning that space.

Phase 3: Basic Physical Space and Equipment

Phase 3 builds on Phases 1 and 2. In addition to convening, promoting, and advocating for the sector, a dedicated member organization could provide specialized programs and services from a (likely rented) physical space. Services may include providing access to meeting rooms, hot desks, and basic equipment. The member organization would use the spaces and equipment to support its programs and also rent them to members.

Phase 3 Annual Earned Revenue	Estimated Value
Space-related Rental Revenue	$66,632
Equipment Rental Revenue	$17,121
Membership and Programming Revenue	$58,031
Total	**$141,784**

In Phase 3, space-related expenses will increase with the inclusion of rent. Salary expenses will also increase as the Hub will require additional staff to maintain the physical space and to manage rentals and programming. In addition to the Executive Director, it is anticipated that a Program Manager and Equipment Manager will be hired, and the Administrator/Bookkeeper role will transition from part-time to full-time. Administrative and facility expenses will increase significantly from Phase 2, as maintenance and janitorial services will be required to manage the physical space. Insurance, professional fees, utilities (e.g., internet), office supplies, and advertising and promotion will either increase or be newly introduced in this phase. Programming expenses will rise, alongside expanded activity, and may include annual costs relating to equipment repair and software subscriptions (e.g., Adobe Creative Cloud).

Phase 3 Annual Operating Expenses	Estimated Value
Space-related Expenses	$53,000
Salary Expenses	$236,000
Administrative and Facility Expenses	$57,970
Programming Expenses	$47,000
Total	**$393,970**

In Phase 3, capital and start-up costs will increase with the rental or leasing of a physical space. While no real estate purchases or construction costs are anticipated, there will be facility-related costs associated with properly equipping and retrofitting the space. Other facility costs include equipment, furniture, and technology/computer purchases. Initial start-up costs may also include incorporation fees and the development of a website.

Phase 3 Capital and Start-up Cost Type	Estimated Value
Facility-related Costs	$39,000
Start-up Costs	$20,200
Total	**$59,200**

The deficit is most pronounced in this Phase, where there is a substantial rise in operating expenses, despite earned revenue also increasing.

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*
Phase 3	$141,784	$393,970	($252,186)

Sample Capital and Start-up Cost
+$59,200

* Earnings before interest and taxes

Readiness for Phase 4 will be indicated by:

- Organizational sustainability: Stable membership and finances (including earned revenue of ~$142,000 and grants to cover ~$250,000 of operating expenses per year in line with the sample operating plan below) over 18-36 months.
- Demand: Demonstrated demand for space rentals (minimum ~$67,000 revenue p/y), equipment rentals (~$17,000 revenue p/y) and membership/programming (revenue of ~$60,000 p/y in line with Phase 3's sample business); clear identification of industry unmet needs for specialist spaces and equipment (e.g., roughly one third of members interested in identified specialist spaces/equipment assets).
- Membership health and growth, using the same indicators as Phase 2 for comparability.
- Industry growth and economic impact: Employment numbers (e.g., # of employees per member company) and revenue estimates per company; X% increase in production and production volume for film and television that stays in Southwest Alberta and employs local people.
- Financial viability: Identified funding channels to cover substantial Phase 4 site acquisition and capital costs (see high-level estimates in Appendix C).
- Suitable site(s) available for a purpose-built Creative Industries Hub.

Phase 4: Specialized Purpose-Built Space

In Phase 4, the member organization manages the necessary fundraising and oversight to build or renovate a space to offer members access to specialized spaces. Additional spaces may include an exhibition space (suitable for screenings and XR installations), a filming studio with green screen capacity, and audio recording spaces, in addition to the spaces offered in Phase 3, based on member/industry consultation. This phase would also likely include the addition of enhanced specialized equipment. Ongoing programs and services would be developed to continue to serve a range of industry needs, including training on how to use the specialized spaces and equipment.

With expanded and improved space and equipment offerings, revenue in Phase 4 is expected to increase. Similarly, industry growth and expanded programming offerings are expected to drive increases in memberships and programming-related revenue. No additional revenue sources (government grants, sponsorships, etc.) are assumed in the sample operating plan.

Phase 4 Annual Earned Revenue	Estimated Value
Space-related Rental Revenue	$191,033
Equipment Rental Revenue	$70,347
Membership and Programming Revenue	$71,992
Total	**$333,372**

Annual operating expenses related to space will increase in Phase 4, as it is anticipated that the Hub will transition from leasing to ownership, and will have a monthly mortgage and will owe annual property taxes. Costs related to salaries and labour will also increase, as additional part-time and full-time staff will be needed to maintain the expanded facility and support programming and rental activity. As the facility grows, administrative, facility, and programming expenses will increase accordingly.

Phase 4 Annual Operating Expenses	Estimated Value
Space-related Expenses	$27,582
Salary Expenses	$281,000
Administrative and Facility Expenses	$83,334
Programming Expenses	$71,000
Total	**$462,916**

Capital costs in Phase 4 are anticipated to be significant, as they include the purchase of land and construction of a purpose-built, specialized facility. The construction estimate can be found in Appendix C. Additional capital costs will also include furniture, equipment, and technology purchases, building on anticipated investments made in Phase 3.

Start-up costs are expected to be lower than in Phase 3, as foundational investments (e.g., a website) will already be in place from Phase 3 and will not need to be repurchased.

Phase 4 Capital and Start-up Cost Type	Estimated Value
Facility Costs	$3,772,200
Start-up Costs	$5,200
Total	**$3,777,400**

In Phase 4, a deficit is expected, but it decreases relative to Phase 3. This reflects continued growth in earned revenue and a more mature operating mode.

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*
Phase 4	$333,372	$462,916	($129,544)

Sample Capital and Start-up Cost
+$3,777,400

* Earnings before interest and taxes

Indicators of success will include:

- Organizational sustainability: Stable membership and finances (e.g., earned revenue of ~$335,000 and grants to cover at least $130,000 of operating expenses plus any debt repayment per year in line with Phase 4's sample operating plan).
- Demand: Sustained demand for programming, services (including equipment rental) and space rentals (e.g., ~$190,000 in space-related revenue, ~$70,000 in equipment rental revenue, and ~$70,000 in membership and programming revenue year on year).
- Continued growth tracked using the same indicators as Phases 2 and 3, allowing for comparability over time.
- Industry growth and economic impact: Employment numbers (e.g., # of employees per member company) and revenue estimates per company; X% increase in production and production volume for film and television that stays in Southwest Alberta and employs local people.

1. About this Project

1.1. Background

Economic Development Lethbridge enlisted Nordicity to explore the feasibility of a Creative Industries Hub to support Southwest Alberta's creative economy. The aim was to explore how such a Hub could **support sustainable economic impact by building an ecosystem that offers Southwest Alberta's creative industry professionals stable, year-round employment** and ensuring that the region can host and service visiting productions.

Exploring the potential of a regional Hub presents an opportunity to unify and strategically grow Southwest Alberta's creative industries. One objective of the Hub would be to provide strategic capacity-building support for the workforce and companies, to increase local employment opportunities, and to retain post-secondary graduates and other emerging professionals who typically move to larger centres such as Calgary and Edmonton to find work and gain experience in their field. The underlying vision for a Hub would be to help position Southwest Alberta as Alberta's third hub for creation, alongside Calgary and Edmonton.

Supporting long-term development will require a strong foundation built on improved coordination and shared resources. Industry and community consultations undertaken for this study highlight demand for greater alignment, collaboration, knowledge exchange, access to funding, and specialized resources.[1] The phased approach proposed in this study outlines a pragmatic and evidence-based pathway to establishing a Hub to help meet these needs. This undertaking would align with broader provincial priorities – reflected in the work of Calgary Economic Development and the Government of Alberta – to advance the creative economy as a viable pathway for economic diversification and export growth in Alberta. It also builds on the City of Lethbridge's foundational work to support the growth of the creative industries, such as its streamlining of the film permitting process to create a single, accessible pathway for productions.[2]

Economic Development Lethbridge brought together 16 community partners for this project, both as project supporters and participants. Project partners included post-secondary institutions, Indigenous organizations, regional networks and economic development offices, industry associations, and collectives. For the full community partner list, please see Appendix A.

For this study, the "creative industries" refer to film, digital media, content creators, e-sports, and game development. The key research question is whether a Creative Industries Hub – physical or virtual – would

[1] Including specialized spaces and equipment.

[2] In 2025, the City of Lethbridge streamlined its film permitting process by coordinating across key municipal departments (fire, police, traffic operations, and public works), allowing productions to navigate approvals through a single, accessible pathway. Their comprehensive production guidelines bring together everything from road closures and special effects to insurance and public notification, making it straightforward and affordable for filmmakers to bring their projects to Lethbridge. The application form and guidelines are available at https://www.lethbridge.ca/arts-culture-events/filming-in-lethbridge/

be a financially sustainable and effective means of contributing to measurable economic development outcomes in Southwest Alberta, such as job creation and retention, SME support, contribution to GDP, and Indigenous and BIPOC inclusion. This paper explores operating models for a Hub supporting creative industries businesses and entrepreneurs in the region with sector-specific programs, training, business services, and access to networks.

While the term “hub” is often used to refer to a building, it is not synonymous with a facility. As defined in more detail below, this paper explores a “hub” as a form of infrastructure (physical and/or virtual) that acts as connective and sustaining tissue for the creative industries, coordinating resources and demonstrating investable opportunities.

This paper contextualizes the potential Hub within global and national trends affecting Southwest Alberta. The study examines demand (estimating market size, need, and opportunities in Section 3) and then outlines a phased approach to develop a Creative Industries Hub in Southwest Alberta, including sample operating plans and capital/start-up costs (Section 4). Finally, Section 5 provides an Implementation Roadmap with suggested next steps and Key Performance Indicators (KPIs).

1.2. Definitions

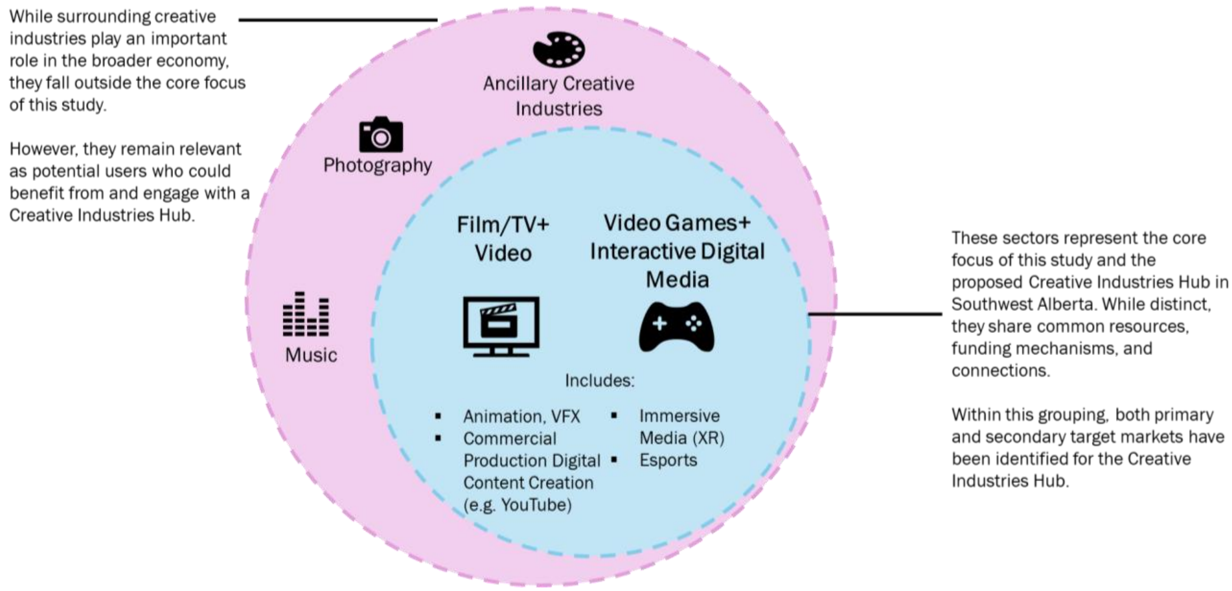
“Creative Industries”

For this project, the “creative industries” refer to film, digital media, content creators, e-sports, and game development. Film, television, and video, along with video games and interactive digital media (IDM), are the focus of this study and the proposed Creative Industries Hub in Southwest Alberta. While these industries are distinct, they share resources, funding sources, and strong links.

On the periphery are sectors such as music, photography, and other ancillary creative fields. While important to the broader creative economy, they fall outside the core focus of this study but remain relevant as potential users who could benefit from and participate in the future Hub.

The visual on the following page illustrates the definition followed by this study.

Figure 1: Working Definition of the "Creative Industries" for this Study



The definitions align with the Canadian Culture Satellite Account's industry domains and sub-domains (adapted from Canadian Framework for Culture Statistics):

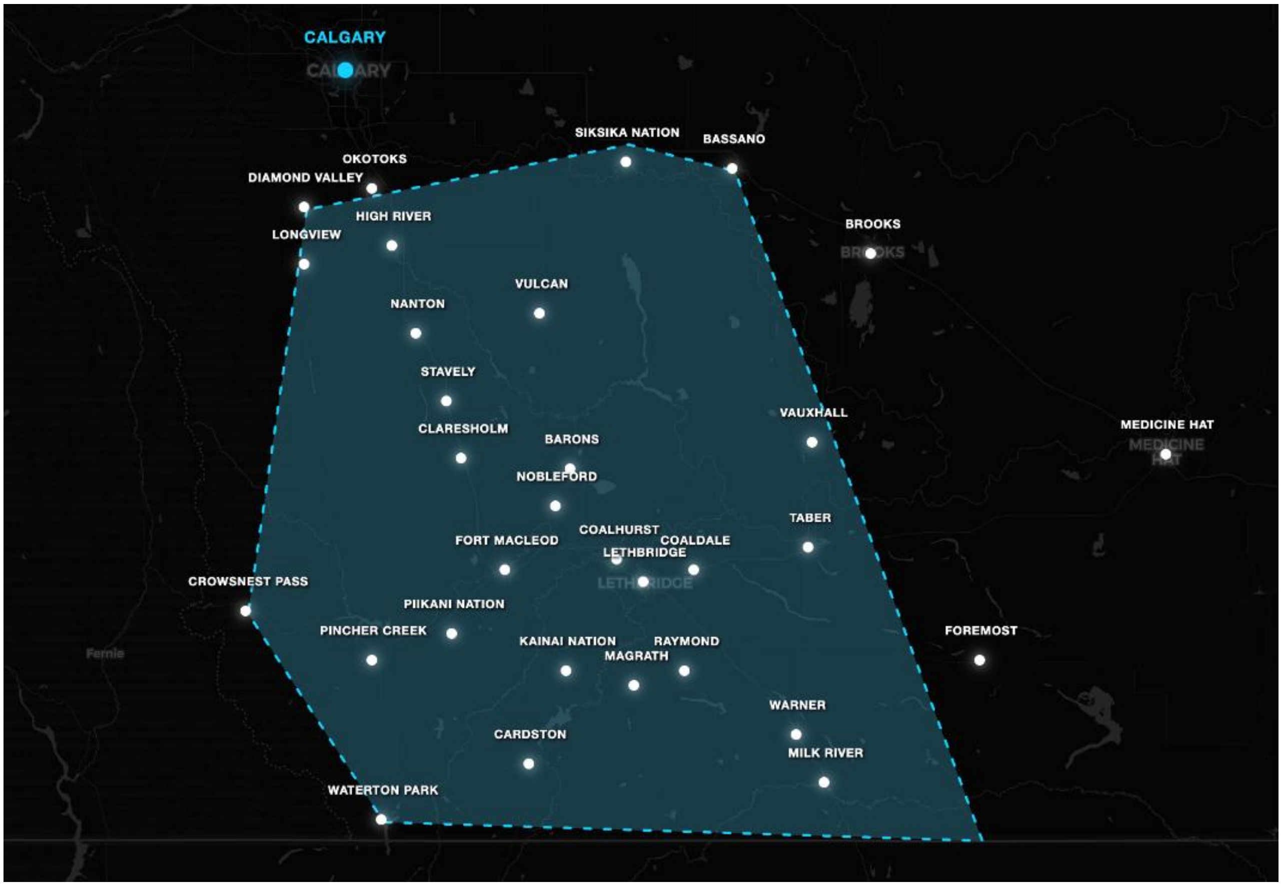
- **Audio-visual and interactive media:**
  - Core culture sub-domains:
    - Film and video: includes feature films, short films, live action and animated films, documentaries, videos, and interactive movies, in all formats, including film, HD, digital, streamed and downloaded content, as well as dissemination services such as film festivals and related events.
    - Broadcasting: includes broadcasters and service providers of traditional, pay and specialty radio content; cable, pay and specialty television programming; and Internet-based broadcast content such as podcasts, online, streamed, and digital radio and television programs.
    - Interactive media: includes console games, online games, wireless games, and PC games, as well as other related interactive digital edutainment products.
- **E-sports** – while e-sports is not a standalone domain or sub-domain of the Culture Satellite account, it is categorized across existing domains depending on the type of activity. For our research, we will focus on the "content" side - i.e., games development and publishing – and streaming, broadcasting and platform services (which each have different NAICS codes).

This definition of the "creative industries" for this paper does not include broader arts and culture. As such, other Culture Satellite Account sub-sectors such as heritage and libraries, live performance (i.e., performing arts, festivals and celebrations), published works, or visual and applied arts are not included.

“Southwest Alberta”

We are defining Southwest Alberta as being from Okotoks south all the way to the US border, as far west as the BC border and almost as far east as Vauxhall. It includes the Blackfoot First Nations' three reserves belonging to the Siksika Nation, Kainai First Nation (Blood Tribe), and the Piikani Nation.

Figure 2: Map of Southwest Alberta



“Creative Hub”

While a “creative hub” is often defined simply as a multi-tenant facility that brings together creative professionals,[3] this study uses a broader definition that allows for flexibility and adaptability as the creative industries in Southwest Alberta evolve:

[3] Arts Build Ontario – Canada Cultural Spaces Fund Creative Hub Definition, 2019. https://archive.org/details/5775197-Canada-Cultural-Spaces-Fund-Creative-Hub

> A creative hub is a physical and/or virtual space, or a convening organization, that brings the creative community together by providing shared tools and resources, while fostering collaboration, supporting business development, and enabling ongoing community engagement.

This definition reflects an understanding grounded in the notion that while creative hubs are often used as co-working environments for companies and freelancers in the creative industries, they are increasingly understood more broadly as industry conveners that support networking, business development, training, and community engagement.[4]

1.3. Methodology

The feasibility study followed a mixed-methods research methodology involving desk research and primary research, followed by qualitative and quantitative analysis. Specifically, the research involved a document and trends review, creating an inventory of creative industry organizations and companies in the region based on desk research and mapping their locations, an online industry survey, industry roundtables, and interviews. The project involved **four steps** of work between October 2025 and March 2026:

In **Step 1**, Nordicity worked with Economic Development Lethbridge (EDL) to confirm research questions, key performance indicators, and an inclusive engagement plan for the research. The Project Team also worked with the University of Lethbridge to enlist a New Media graduate student, Regina Olarewaju, to develop an inventory of creative industry companies based in Southwest Alberta.

In **Step 2**, the Project Team carried out desk research and facilitated engagements with creative industry interest-holders. This research was used to define the use case (e.g., who would use a Hub, what their needs are, and what sort of Hub might best address their needs).

In **Step 3**, Nordicity translated the use case into a phased approach to develop a Creative Industries Hub in Southwest Alberta. This phased approach starts with convening the sector (which has already started informally through the Step 2 consultations) and ultimately progresses to creating a specialized, purpose-built space. This phased approach includes sample operating models and capital/start-up costs for each of the four phases.

[4] Marlen Komorowski, Creative Hubs and Intercultural Dialogue—Towards a New Socio-Economic Narrative, 2023

Engagement Approach

Nordicity worked with EDL to ensure diverse representation from across Southwest Alberta's creative industries, including interest-holders from Indigenous, BIPOC, and rural communities, and emerging talent. The aim was to learn more about the regional creative industries' needs and opportunities to inform the type of services, spaces and/or technology that a Hub could offer to facilitate industry growth.

The Project Team conducted 10 interviews with project partners and facilitated two hybrid industry roundtable events in Lethbridge. The first was with representatives of regional economic development organizations (SouthGrow Regional Initiative, Regional Innovation Network of Southwestern Alberta, Alberta Southwest Regional Alliance, and Career Transitions). The second roundtable discussion was with 10 members of industry, including entrepreneurs, freelancers, and small and medium enterprises (SMEs) working in games, film, and television.

Nordicity also designed and administered an online survey to ensure broader participation from others connected with the regional sector. The survey was live from November 18 to December 12, 2026, and promoted by Economic Development Lethbridge and partners via social media and email. The survey collected 35 responses from individuals or representatives from creative companies/businesses within Southwest Alberta's ecosystem. While the sample is modest, it represents 28% of the total creative industries' potential user base in Southwest Alberta based on Nordicity's estimates (discussed in Section 3.3). The qualitative survey findings align with themes emerging from interviews, roundtable discussions, and desk research, reinforcing findings on the industry's current state, challenges, and potential opportunities. Survey responses included representation from the 2SLGBTQIA+ community (six participants) as well as people who identified as Racialized/Black/Person of Colour (five participants) or as having a disability (five participants). Nearly half the respondents were women.

2. Creative Industries Context

The creative industries operate within a global marketplace largely organized by a range of online services that deliver film and television as well as video game and IDM content to audiences the world over. Total global film and television content spending reached approximately $251 billion in 2025 and is forecast to reach US$255 billion in 2026.[5] Video game revenue reached US$197 billion in 2025, up 7.5% year-over-year.[6] Canada is an active global player across these industries, and Alberta has a growing creative industries sector contributing $5.55 billion to provincial GDP in 2023, an increase of 4.47% in 2022.[7]

Understanding the impact of global and national market trends provides background context that is important to consider as Southwest Alberta explores strategies to develop film and television, in addition to video game and IDM sectors within its region.

Global Trends Affecting Canada's Creative Industries

Across the film and television, digital content, video game, and interactive digital media (IDM) sectors, audience demand for content of all types and genres remains strong. However, after a period of rapid growth and expansion, the platforms that distribute this content, such as online streaming services and broadcasters, are increasingly prioritizing profitability. After years of record-breaking content spending, platforms are decreasing investment in original content and focusing on acquisitions, sports rights, and lower-cost content that is more profitable.

At the same time, ownership of major media companies has continued to consolidate, resulting in fewer platforms, publishers, and distributors, effectively reducing the "pool" of content buyers. Meanwhile, audiences and consumers are becoming more discerning in what they consume and, with greater control over when, where, and how they consume content, are playing an increasingly active role in shaping demand.

Recently, broader geopolitical pressures and ongoing U.S. trade policy tensions have created uncertainty for Canadian creatives. Notably, the U.S. government has threatened to enact 100% tariffs on non-U.S. film production. Furthermore, American government officials have indicated that in the July 2026 USMCA joint review, they will be calling on the Canadian government to rescind the Online Streaming Act, citing discrimination against American businesses.

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[5] Ampere Analysis, via Media Post, "Global Content Spend To Grow 2% To $255B In 2026, Streaming Up 6%", January 2026.

[6] Newzoo, via Video Games Chronicle, "Global games revenue in 2025 is expected to grow 7.5% compared to last year, analysis suggests", December 2025

[7] Government of Alberta, Annual Report 2024-2025, p.30-31 Arts, Culture and Status of Women Annual Report 2024-25

Technology like generative AI and automation tools is reshaping the production value chain across the entire creative sector. For small studios and emerging creators, these technologies can lower barriers to entry by reducing costs for concept development, storyboarding, and basic post-production.[8] The same tools, however, threaten to displace mid-level creative professionals -- editors, visual effects artists, junior writers -- whose entry-level work may be automated, narrowing the career pathways into the industries.[9]

While the creative industries are subject to similar global pressures, each sector has a distinct business model, meaning these broader trends are often expressed in different ways. Below are the key global industry trends and key national pressures affecting the film and television industries and the video games sector in Canada.

Film/Television and Video

While the film and television sector is experiencing consolidation and commissioning restraint, demand for screen content remains high. Advertising revenue is growing faster than consumer spending across entertainment.[10] Streamers and broadcasters alike have shifted from subscriber acquisition to profit maximization, and are directing investments to proven IP and lower-risk formats (including shorter seasons and fewer scripted commissions), and marquee talent, etc.

At the same time, streamers overtook traditional linear broadcasters in their share of global content spending for the first time in 2025, and that gap is widening.[11] Mid-budget productions, the segment where most independent producers operate, are increasingly squeezed between high-budget blockbusters and low-cost experimental formats, leaving fewer viable pathways to financing or distribution.

New content formats are both expanding production opportunities and creating disruptions by meeting audiences where they are—on mobile devices, particularly through vertical video. Within the film and television production industry, an increasing number of players are developing content directly for digital platforms such as YouTube, TikTok, and Instagram, distinct from traditional broadcast, streaming services, or theatrical distribution. New formats like micro-dramas, short episodic content typically one to five minutes in length, designed for mobile viewing, are emerging as a multi-billion-dollar global sub-sectors. [12]

These global shifts are impacting the Canadian market significantly. Fewer and shorter commissions are directly impacting Canada's service production industry, which relies on foreign companies shooting in Canada and benefiting from Canada's attractive tax credits and low dollar value. These service productions employ Canadian labour and talent and contribute significantly to the economic activity. At the same time, audiences are migrating towards U.S. streaming channels and moving away from traditional broadcasting

[8] McKinsey & Company, "How AI could reinvent film and TV production," November 19, 2025

[9] McKinsey & Company, "What AI could mean for film and TV production and the industry's future," January 23, 2026:

[10] PwC, "Global Entertainment & Media Outlook 2025–2029," July 2025,

[11] CinEuropa, "Global content investment set to reach $255 billion in 2026 as streamers overtake traditional broadcasters," January 2026,

[12] Canada Media Fund, "Verticals on the rise," October 2025

packages, decreasing revenues within the Canadian system, and limiting the funding availability for Canadian content.

Despite these pressures, the Canadian film and television industry remains a major economic driver. In 2024, this industry generated about 179,130 jobs, attracted $5.59 billion in foreign investment, and contributed $11.04 billion to Canada's GDP.[13] Recently, to maintain sector growth and safeguard Canadian content amid global changes, the federal government introduced policy and regulation through the *Online Streaming Act*. This legislation mandates that international streaming platforms operating within Canada(e.g., Netflix, Amazon) must directly contribute to the production of Canadian content and have similar fiscal responsibilities as Canadian legacy broadcasters (e.g., Bell, Rogers). The Act's implementation is ongoing, while some regulatory decisions have been legally challenged by American streaming services. These ongoing legal challenges, as well as pressure from the U.S. government, are threatening the future of the Act. To provide some relief as the industry navigates this transitional period, the 2025 federal budget committed to maintaining or increasing funding across key federal agencies.[14]

Production activity in Canada remains concentrated in Toronto, Vancouver, and Montreal; however, mid-sized Canadian communities contribute significantly to the screen sector. Within the national context, Alberta has established itself as Canada's fourth-largest film and television production centre, and in 2023/2024 tripled its foreign/service production volume, growing to $192 million.[15] Notably, Alberta has hosted major productions such as *The Last of Us, Billy the Kid, My Life with the Walter Boys,* and *Die My Love.* This growth is supported by investment in purpose-built studio infrastructure and workforce initiatives, and Alberta's tax credit. While the sector has experienced growth, key needs have been identified for more significant and stable production volume (both service and Alberta-owned IP production), which would help facilitate talent retention and support sustainable growth.[16]

Video Games and IDM

While the global video game revenues reached US$197 billion in 2025, the industry is undergoing contractions simultaneously. Some estimates suggest that up to one-third of the global workforce has been eliminated since 2023, potentially due to overhiring during the COVID-19 pandemic, when demand for games surged.[17] As demand normalized post-pandemic, companies have scaled back, with layoffs impacting mid-sized studios significantly.[18]

In some ways, the barriers to entry for independent developers have been reduced, with digital storefronts democratizing game distribution, allowing small independent studios to reach global audiences. However, key industry challenges persist, including roadblocks in securing publishing partnerships, accessing early-

[13] CMPA, "Profile 2024: An economic report on the screen-based media production industry in Canada," 2025.
[14] Government of Canada, "Budget 2025," Chapter 4, November 2025.
[15] CMPA, "Profile 2024 ," 2025.
[16] Calgary Economic Development, "Creative Economy Strategy For Calgary," April 2024.
[17] GameRant, "Every Video Game Layoff and Studio Closure in 2026 So Far", March 2026.
[18] Ibid.

stage capital, and building the professional networks required to transition from one-off first releases to a long-term sustainable business. [19] There are also growing concerns around entry-level positions and emerging talent entering the industry. The use of AI is threatening entry-level positions and displacing labour, however, it seems to be primarily impacting personnel in publishing and marketing, rather than core game development.[20]

In Canada, the video game industry remains a significant and growing economic sector. As of 2024, it employed over 34,000 people and contributed approximately $5.1 billion to GDP, with projections indicating growth to $10 billion or more by 2027.[21] Alberta's industry, while vibrant and growing, faces structural challenges. As of 2024, there were approximately 68 studios and 810 employees in the province.[22] However, these figures represent a decline, as Alberta has lost the activity of 19 companies from 2021 to 2024. [23] One potential factor that may have contributed to the decline is the absence of a provincial video game tax credit, which puts the province at a disadvantage to other jurisdictions with these kinds of incentives. Additionally, a lack of scalable companies limits the degree to which the industry can employ and train junior talent, including recent graduates. That said, the province does have a vibrant and collaborative gaming community, and post-secondary institutions have been actively designing and updating game development related certificates and programs to keep the province competitive.[24]

Adjacent sectors, including immersive media (e.g., XR) and esports, are also gaining momentum. The provincial IDM sector is projected to contribute $169 million to provincial GDP by 2030.[25] In Calgary, the sector is quite dynamic given the size of the city, partially due to the broader tech/innovation ecosystem, and a network of postsecondary institutions that have a vested interest in immersive technologies.

While Canada's esports and competitive gaming industry is concentrated in Toronto and Vancouver, Alberta is actively investing in its development. Alberta supports a developing intercollegiate esports structure and has more than 100 community tournaments weekly. [26] A provincial esports strategy was introduced in 2022, aiming to further grow this sub-sector to benefit tourism and Alberta's broader creative economy.

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[19] Norton Rose Fulbright, "Gaming M&A Trends in 2024 a review", May 2025.

[20] Business Wire, "2026 State of the Game Industry Report Reveals Widening Effect of Layoffs, Broader Perspectives on Generative AI, Unionization, Tariffs and More," January 2026.

21 ESAC / Nordicity, "Canada's Video Game Industry: Powering the Future of Play," January 2025.

[22] Ibid.

[23] Ibid.

[24] Calgary Economic Development, "Creative Economy Strategy For Calgary," April 2024.

[25] ICTC, "Interactive Digital Media Set to Contribute $169M to Alberta's GDP by 2030", September 2024.

[26] Alberta Esports Association, "Alberta Esports Strategy," August 2022.

3. Key Findings

Key findings of the industry consultation and desk research led by Nordicity are consolidated below. The consultation included ten interviews with key interest-holders, two roundtables and a survey (see Section 1.3 for detailed engagement methodology). The desk research included the development of an inventory of creative industry companies focused on the film, television, and video game sectors, with a heat map to identify emerging clusters of activity in Southwest Alberta. This section provides a high-level profile of the creative industries in Southwest Alberta; a summary of sector needs, gaps and opportunities; and a description of the potential users of a Creative Industries Hub in Southwest Alberta.

3.1. Southwest Alberta at a Glance

Lethbridge has a population of approximately 113,000, serving as the primary urban anchor and service centre for Southwest Alberta. The city also attracts over 20,000 post-secondary students each year, contributing to its economic and cultural vitality. Beyond Lethbridge, the broader Southwest Alberta region has an estimated population of approximately 317,000.

Although creative industry activity in Alberta is largely concentrated in Calgary and Edmonton, various active professionals, small companies, and specialized post-secondary programs are based in Southwest Alberta. Many of these professionals and companies work remotely with clients located outside of Southwest Alberta, those in film and television may work closely with partners in Calgary and Edmonton, while game developers may work for employers, clients and/or have project partners around the world.

Organizations like Screen Lethbridge and Lethbridge Game Developer Guild, Indigitech Destiny, and BIPOC Foundation help to convene and develop the creative industries community in Lethbridge and the wider region. The Regional Innovation Network of Southern Alberta (RINSA) supports these goals with initiatives such as hosting the 2024 Alberta E-Sports Championship. Meanwhile, provincial creative industry associations like Digital Alberta, Alberta Media Production Industries Association (AMPIA), and Alberta Postproduction Association (APPA) are engaged in Southwest Alberta to the extent that they have members who live and work in the region. Additionally, events such as the Lethbridge Film Festival contribute to exhibition, networking, and community-building for screen-based and visual artists.

Contributing to the growth of these industries, the University of Lethbridge and Lethbridge Polytechnic (formerly Lethbridge College) jointly offer programs in film production, media arts, digital design, and game development, creating a steady pipeline of skilled graduates in the creative industries.[27] These post-secondary institutions also function as anchor cultural and research assets in the region, contributing to

27 University of Lethbridge – Bachelor of Fine Arts, New Media

the attraction and retention of students and graduates, who may work in the creative industries or contribute to the local audience base.

The region's location within Treaty 7 territory and proximity to the Blackfoot Confederacy presents a distinct strength for Indigenous-led creative development. Existing organizations are already supporting Indigenous creators through mentorship, networking, skills development, and partnerships with other institutions that provide a foundation for inclusive sector growth, such as IndigiTech Destiny's "The Indigenous Lens: Youth Film Training Program" in partnership with Economic Development Lethbridge, RINSA, ElevateIP, and Lethbridge Polytechnic.

Lethbridge also benefits from a relatively low cost of living compared to Calgary and Edmonton, let alone larger markets like Vancouver and Toronto, which can make it an attractive base for independent creators, entrepreneurs, and remote workers. In consultations, this was identified as a potential advantage in attracting and retaining creative professionals, particularly those whose work is not as tied to a specific geographic location.

There are potential opportunities for Lethbridge and the southwestern portion of the province to emerge as a cost-effective jurisdiction for lower-budget and digital-first productions, such as vertical content (e.g., micro dramas). As Canada's federal streaming regulations evolve, there may also be increased opportunities to attract domestic production activity. Additionally, immersive media could present niche growth opportunities aligned with the region's capacity.

Finally, the smaller scale of the local ecosystem may foster opportunities for cross-disciplinary collaboration. While participants in the consultation noted that connections across practitioners in film, games, digital media, music, and other creative sub-sectors are not yet consistently realized, a smaller community may provide a strong foundation to build more opportunities for collaboration over time.

3.2. Sector Needs, Gaps, and Opportunities

The following section presents key needs, gaps, and challenges identified through consultation with Southwest Alberta's creative industries. Each need, gap or challenge identified points to a corresponding opportunity that may be supported through the Phased Approach to developing a Creative Industries Hub presented in Section 4.

It is important to note that although the following needs or challenges have been identified, a Creative Industries Hub is not a "panacea", and all needs and gaps cannot be addressed through the establishment of a Hub. The Hub's role is to enhance coordination, provide creative industry-specific programs and services, promote and advocate for the sector.

Industry Coordination

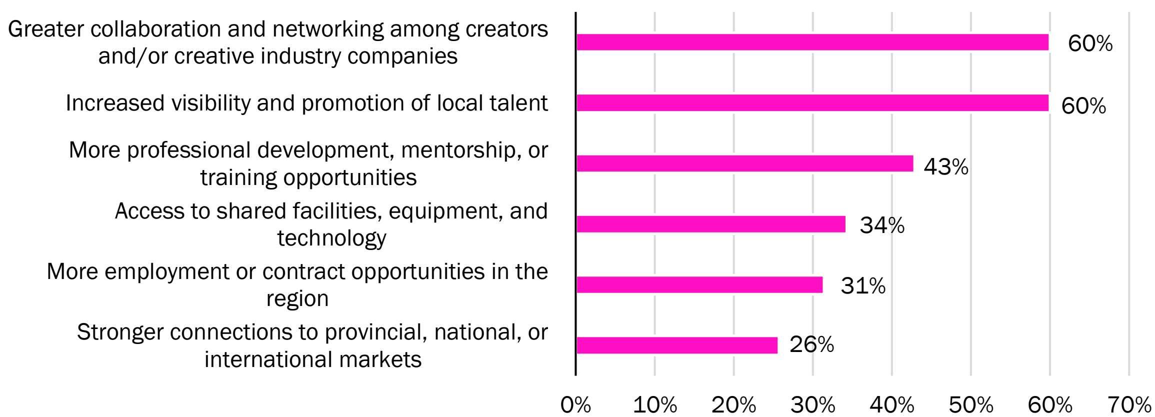
The creative industries in Southwest Alberta are fragmented, with activity distributed across multiple sub-sectors, organizations, and informal networks that operate largely independently of one another. Supports exist across post-secondary institutions, economic development organizations, industry groups, and

Indigenous-led initiatives, but they operate largely within sub-sector silos and without a shared layer of coordination tying them together. Many engagement participants described relying on personal networks to find opportunities, collaborators, or resources.

> “The whole thing with our region, across every creative industry designation, is a lack of appropriate funding, knowledge, and demonstrated cultural value.”
>
> - Survey Respondent

This lack of visibility and coordination means that the programs and expertise that do exist in the region are underutilized, as potential users are often unaware of them or unsure how to engage, even as overall capacity in the region remains limited. Consultation participants consistently noted that there have been few opportunities to meet their peers in the sector, and that there is no structured mechanism for community-building, resource sharing, collaboration, and mentorship. This finding was reinforced by survey results, which identified respondents’ perceived top three opportunities a Hub could foster: greater collaboration and networking among the creative industry; increased visibility and promotion of local talent; and more professional development, mentorship or training opportunities.

Figure 3: What opportunities do you think a Creative Industries Hub could foster for Southwest Alberta? Select up to 3. (n=35)



Source: Economic Development Lethbridge Creative Industries Hub Feasibility Study Survey

Notably, several participants identified the consultation roundtables themselves as the first time they had meaningfully connected with others facing similar challenges, which underscores both the fragmentation of the ecosystem and the desire for greater creative industries coordination.

- **Opportunity:** Establishing a “front door” access point helps people navigate pathways through the industry, improving regional coordination and collaboration. Strengthening coordination enables more effective leveraging and strategic positioning of existing regional services and resources.

Market Scale and Opportunity

Creative talent exists across Southwest Alberta, but the overall scale of the sector is small, with activity concentrated among solo practitioners and small companies. While there are pockets of talent across film and television, games development, digital marketing, music, and design, the ecosystem lacks sufficient depth to support a broad and stable workforce. Stakeholders pointed to a "thin middle layer," with few companies large enough to provide stable employment, repeat contracts, or mentorship opportunities.

With a limited number of local companies (and projects), workers have few options to move between roles or advance within the region. In more developed creative industries ecosystems, career progression depends on the ability to sometimes move between employers and projects, allowing individuals to build experience and advance into more senior roles over time. This mobility is constrained in Southwest Alberta, and as a result, career advancement is often dependent on sporadic opportunities rather than broader system growth, limiting job creation to a pace that does not support sustained workforce development.

The limited volume of work and clients in the region constrains new company creation and second-stage growth, creating a cycle in which constrained opportunities limit company growth, and limited company growth further reduces opportunities – especially in creative sub-sectors that rely on in-person production rather than remote work.

At the same time, it is essential to understand that the creative industries are project-driven, and financing of those projects is largely reliant on access to project development and production funding. This funding, in turn, includes both public and private sources made available locally, nationally and internationally. Public funding (outside of tax credits) is often capped or limited by available government funds, as is the case for the Alberta Made program that supports film and television projects under $500,000, Telefilm Canada, and part of the Canada Media Fund. Private funding can also be constrained by external factors, including global market trends such as the current global contraction in content production being experienced in both the film and television and video games sectors.

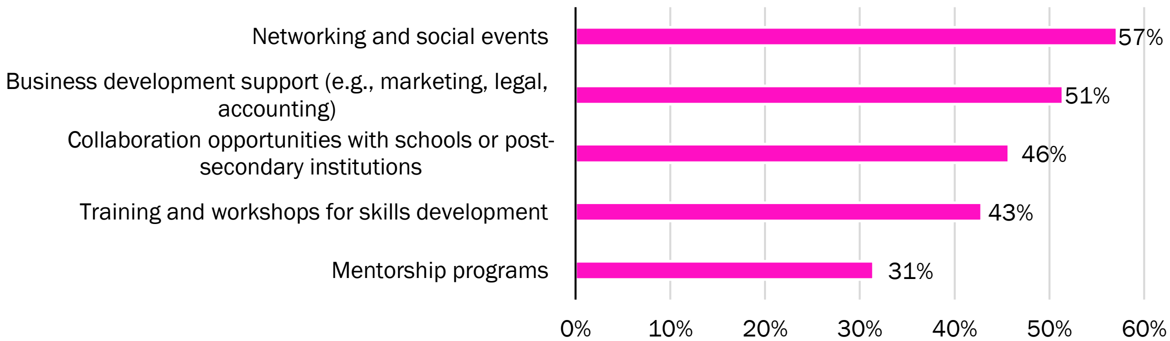
- **Opportunity:** Position the Hub as a mechanism to support more consistent work and career progression by strengthening connections between practitioners and firms, and supporting firm maturation through targeted business supports.

Skills Development and Talent Retention

Consultations indicate that while post-secondary institutions in the region are producing talented graduates, there are limited mechanisms to support continued skill development and transitions into careers. The region offers few structured opportunities to build on-the-job competencies or industry-specific business capabilities. As a result, many new creative workers lack the kind of practical, industry-specific business skills that they might learn outside of a post-secondary setting, in areas like pitching, contracting, and dealing with funders and external partners, or working on set.

Survey responses supported these findings, with respondents identifying networking and social events, business development support, collaboration opportunities with schools and post-secondary institutions, training and workshops for skill development, and mentorship programs as the top programs and services needed for industry growth.

Figure 4: What types of programs, supports, or services would help to grow your business? Select up to 3. (n=35)



Source: Economic Development Lethbridge Creative Industries Hub Feasibility Study Survey

This gap is most visible in production-based sectors. In film and television, early-career workers benefit from exposure to active sets and production environments, and limited local production means there are few opportunities to build that experience. Similar constraints exist in interactive digital media and games, where there are few opportunities to work on larger or more complex projects alongside more experienced teams – both in their craft itself and in business development. For developing sole proprietors or start-up companies, access to structured mentorship, market exposure (e.g., festivals, trade missions), and export pathways (e.g., distributors, co-productions)is limited in the region.

These conditions create ongoing challenges for talent retention. While the region is producing skilled graduates, many do not remain in Southwest Alberta. Consultations echoed that many graduates and early-career professionals opt to leave for larger markets like Calgary, Edmonton, and Vancouver, where there is a higher volume of production, more established firms, and clearer pathways to steady work and advancement. Stakeholders noted that remaining in the region can often mean piecing together intermittent work or supplementing with work outside the sector altogether, making it difficult to sustain a long-term creative industries career locally.

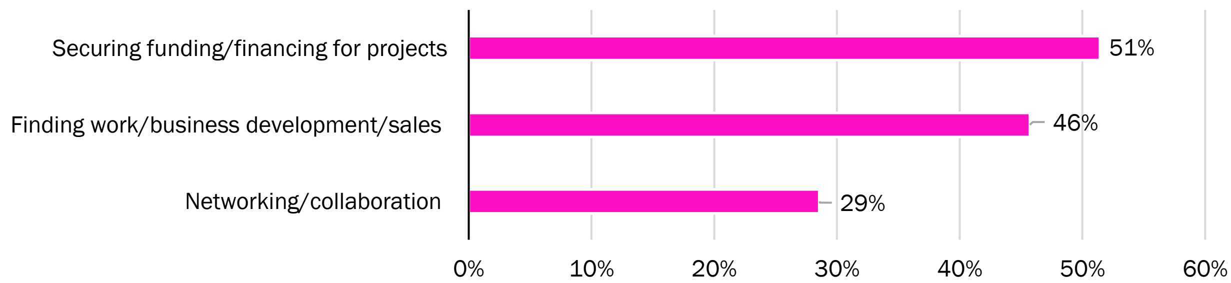
These observations reflect certain realities of the creative industries in both large and small centres. While larger centres may have more companies and/or more projects with entry-level opportunities, there can still be constraints as the industry is largely relationship-based, and without connections, access to potential employers or funding decision-makers, progress can be constrained.

- **Opportunity:** Create more consistent points of entry and pathways into professional work through initiatives like workshops, mentorship, and other practical skills development opportunities, as well stronger connections to external markets, to alleviate the pull for skilled workers to leave the region.

Access to Project Funding and Early-Stage Capital

Early to mid- stage creative businesses in the film, television, and video games sectors face difficulty accessing financing for projects to establish a track record. Stakeholders noted that public funding has become increasingly competitive, while private investment is typically inaccessible without existing networks and demonstrated credibility. Echoing these findings, survey results noted that the top three most pressing needs for those working in the creative industries were: securing funding/financing for projects; finding work/business development/sales; and networking/collaboration.

Figure 5: As someone working in the creative industries, what are your most pressing needs (at a high level)? Select up to 3. (n=35)



Source: Economic Development Lethbridge Creative Industries Hub Feasibility Study Survey

Access to project funding and financing is a challenge more pronounced in regions like Lethbridge, where there may be a higher volume of early-stage companies. In contrast to video game development markets like Edmonton or film production markets like Calgary, where smaller companies may more easily access funding decision-makers and a stronger talent base, companies in Southwest Alberta are likely to face greater difficulty in attracting funding, slowing their ability to develop projects and grow. This issue is compounded by the fact that there are few direct flights to Lethbridge, making it harder for investors and external partners to travel to the region – a constraint mentioned in multiple consultations.

- **Opportunity:** Position the Hub as a bridge to identify funding sources and the strategies to secure them by supporting investment readiness and facilitating connections to external funding and investors. Establishing a Hub also presents an opportunity to signal the strategic coordination of the sector, which may attract increased investment and interest in the region's creative industries.

Access to Professional-Grade Infrastructure and Shared Equipment

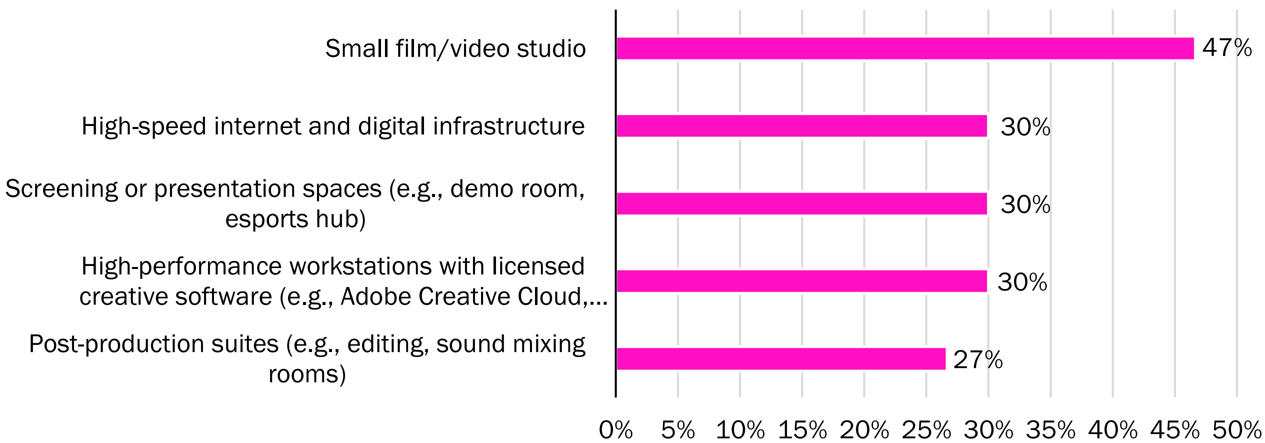
Consultations identified limited access to affordable, industry-standard production space across film, audio, post-production, and interactive media. While some specialized spaces exist in the region, it is spread across post-secondary institutions, a few individual companies, and small organizations, either inaccessible for external users or else informally available based on existing relationships. As a result, workers often piece together spaces and equipment across multiple sources or look to the larger Calgary market to meet their needs.

Equipment access presents a similar challenge. Early-career workers and independent creators require professional-grade tools but often cannot justify the upfront cost of ownership given inconsistent project volume. In some cases, high-quality equipment is available locally but owned by individual operators or firms, and may only be loaned out to peers informally.

Stakeholders also emphasized the importance of "neutral" access. Where production space or equipment is tied to specific companies or competitors, practitioners may be reluctant to engage, reducing the extent to which these assets function as shared infrastructure and limiting opportunities for collaboration and skills development.

In terms of specific space needs, survey respondents were asked to identify the kinds of facilities, equipment, or spaces such a Hub should offer. Almost half (47%) of respondents identified “small film or video studio.” A third of respondents also selected “high-speed internet and digital infrastructure,” “screening or presentation space,” and “high-performance workstations with licensed creative software.” Post-production suites were also identified as a desired space by just over a quarter of participants.

Figure 6: What kind of facility, equipment, or spaces should a Creative Industries Hub in Southwest Alberta offer? Select up to 3. (n=30)



Source: Economic Development Lethbridge Creative Industries Hub Feasibility Study Survey

- **Opportunity:** Establish shared access to professional production space and equipment that is not tied to individual companies or post-secondaries, thereby reducing reliance on external markets like Calgary.

Geography and Cultural Barriers to Participation

Southwest Alberta’s geography creates practical barriers to participation in the creative industries. While Lethbridge serves as a node within the region, activity is dispersed across a wide area, making it more difficult for practitioners to regularly connect and collaborate. Travel within the region can be time-consuming, making it less natural for the sector to organize and putting distance between workers and available production activity and/or training opportunities.

These constraints are more pronounced for First Nations, Métis, and Inuit (Indigenous) creatives, whether based in urban, rural, or remote communities. Consulted parties noted that access to the current creative industry activity often depends on the ability to travel into Lethbridge, which is not accessible for many people on the Blood 148 First Nations reserve or in smaller communities. The current industry is further shaped by informal networks and relationships, which can exclude Indigenous, Black, and People of Colour (BPOC) creators as well as those who identify with other equity-deserving communities. This structural challenge can be further exacerbated by culturally unsafe or unwelcoming spaces, where Indigenous and

BPOC creatives are often underrepresented and expected to navigate systems that do not reflect their experience or their communities.

> "Accessibility barriers include financial, as well as regional accessibility for more rural and Indigenous communities…. greater ability to find communities for support within the region [would also] provide networking and mentorship opportunities." - Survey Respondent

As for geographic position within the province, proximity to Calgary and Edmonton presents both an advantage and a constraint. While it provides access to two larger markets and more established industry activity, that proximity can also draw talent, projects, and spending away from the Southwest region. Creative workers may rely on those two cities for equipment, infrastructure, collaborators, and work opportunities, rather than building that capacity locally.

Opportunity: Improve coordination across the region through a mix of virtual and in-person programming, while ensuring that spaces and supports are designed to be culturally safe, inclusive and reflective of the communities they serve (through mechanisms such as representative board governance).

3.3. Potential Users

Target Market

To determine the potential users for a Creative Industries Hub, Nordicity performed an environmental scan to create an inventory of creative industry businesses, individuals, and organizations in the region with public or online presences. As a result of this scan, it was determined that there are roughly **125 businesses, individuals, and creative industries organizations ("operators") operating in the region.** This figure represents activity in the film, television, and video industries, video games, and interactive digital media (IDM), content creation, music, photography, and ancillary creative industries.[28] It should be noted that this estimate may omit industry freelancers or hobbyists who are not publicly registered or do not have a significant public online presence.[29]

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[28] The Canada Culture Satellite definition of the ancillary culture sub-domains are architecture, advertising (including design and development of advertisements), design (including graphic, interior, industrial, jewellery, fashion and other specialty design services), other published works (brochures, leaflets, postcards, etc.) and "multi sub-domain" (which includes the printing of and support activities for printing books, art works, calendars, magazines, newspapers; support activities, book stores and news dealers, translation services, independent writers and authors). Source: Domains and sub-domains of the Canadian Culture Satellite Account adapted from Canadian Framework for Culture Statistics

[29] While reliable freelancer numbers are not available (for Southwest Alberta or elsewhere in Canada), there are at least 35 self-employed individuals working in motion picture and the video industries (NAICS 5121) in Division 2 and 3 of Alberta based on a review of Statistics Canada Census 2021. Table 98-10-0591-01 Class of worker by industry groups, labour force status, age and gender: Canada, provinces and territories and census divisions. Regarding games, there are 269 members of Lethbridge Game Developers Guild's Discord channel. While not all these members will be freelancers, a number of them likely are. While these numbers provide a broad indication of possible freelancers in the region, they have not been included in the Target Market Assessment (below) to avoid double-counting.

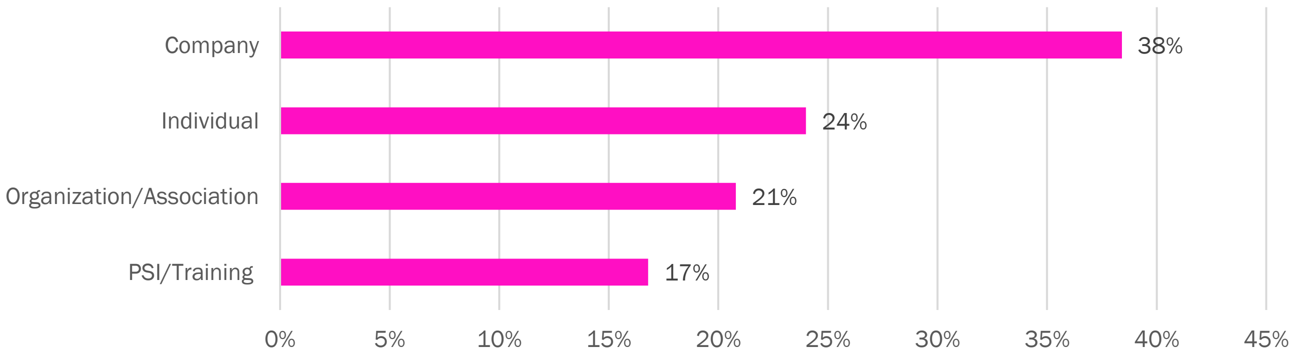
The table below estimates the sector composition of the primary and secondary target markets for operators within Southwest Alberta. The **primary target market** includes core creative industry users who are the focus of this study, specifically film, television, and video, video games, and IDM. These operators represent the main audience for Hub programs and services. The **secondary target market** includes operators within the broader creative industries, including content creation and ancillary creative industries. While not the primary target, they represent an important supplementary user base. **These figures reflect the current conditions within the region, and do not reflect the full potential future Hub users.**

Table 1: Target Market Assessment

Market	Description	Sectors	Southwest Alberta Estimate
Primary Target Market	The primary market represents those who fall within the traditional scope of the creative industries and the focus of this study. This market represents the primary audience for whom programs and services are intended, and whose needs they are designed to meet.	Film/TV +Video	55
		Video Games and Interactive Digital Media (IDM)	20* *does not include The Lethbridge Game Developers Guild 269 Discord members.
Secondary Target Market	The secondary market represents those within the creative industries either outside the scope of the study or representing a small market. While not the primary market, it includes users who may benefit from/utilize services or programs. Given the limited estimates of the primary market, it is imperative that the secondary market be considered in the development and operation of a Creative Industries Hub in Southwest Alberta.	Content Creation	7
		Music, Photography, and Ancillary Creative Industries	49

The chart on the following page shows the breakdown of operators within the Southwest Alberta's creative industry inventory. The largest groups are companies (38%), followed by individuals (24%), organizations/associations (21%), and post-secondary institutions (PSIs) and training (17%).

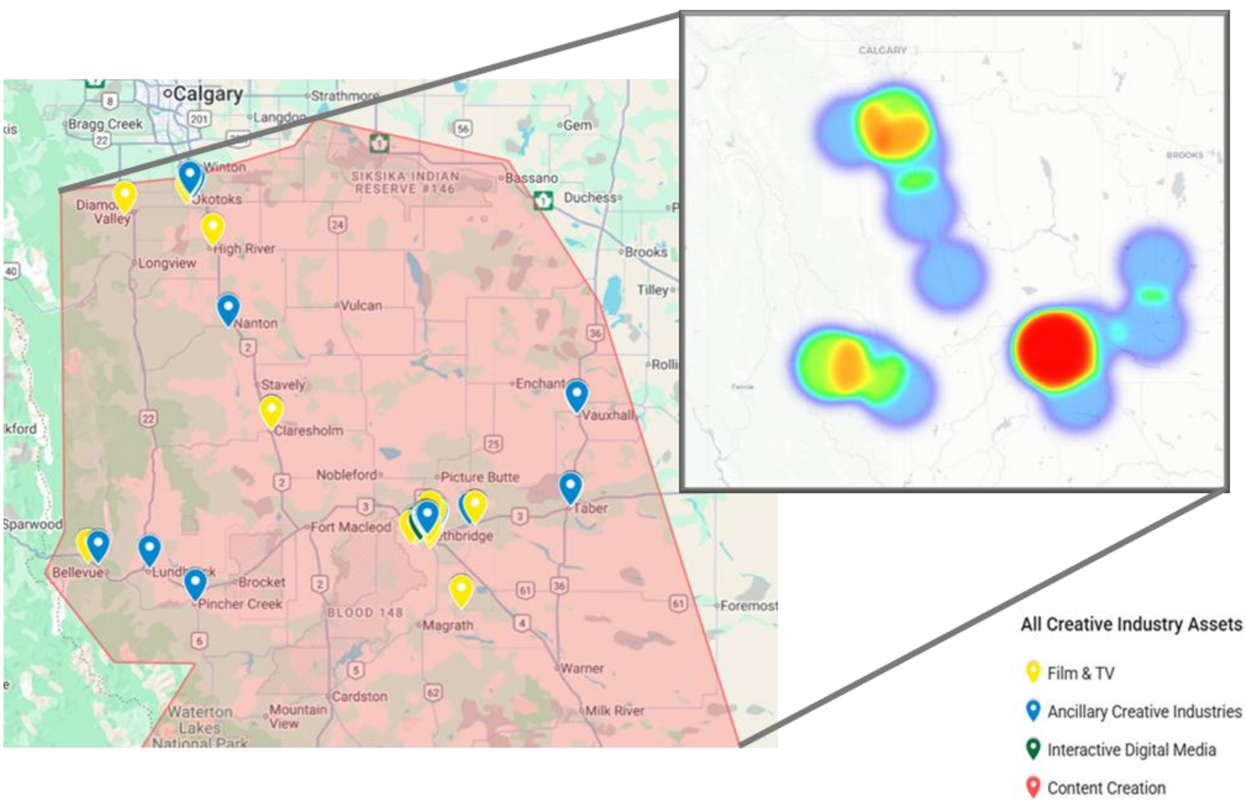
Figure 7: Types of Creative Industry Operators in Southwest Alberta's Creative Industries



Source: EDL Creative Industries Hub Feasibility Study – Inventory of Southwest Alberta's Creative Industries

To help approximate the location and geographic distribution of the target markets, Nordicity has mapped the 81 creative industry operators with a physical address (including private residences). The heat map below demonstrates a clustering of operators in Lethbridge, South Calgary, and the southwest Bellevue/Lundbreck/Pincher Creek areas.

Figure 8: Concentration and Heat Map of Creative Industry Operators



Source: Nordicity inventory research + custom Google map

Nordicity also obtained enrollment figures from relevant programs from the University of Lethbridge and Lethbridge Polytechnic to estimate the number of students in creative industries programs in the region. Although the intended core users of the potential Hub will be businesses, individuals, and organizations, students and post-secondary institutions may also be participants. The number of students also helps assess potential industry growth, as students may transition into creative industry employees or business owners in the region.

The table below estimates the composition of the primary and secondary target markets for enrolled students at the University of Lethbridge and Lethbridge Polytechnic. Relevant creative industry programs at the University of Lethbridge are currently at enrollment capacity, indicating strong demand from incoming students and potential for future sector growth.

Table 2: University Student Target Market

Market	University Creative Industries Programs Enrollment
Primary Target Market	247
Secondary Target Market	344

Together, these figures represent a **target market**, i.e., the individuals, organizations, companies, and students that would have a specific challenge or need met by the existence of a Creative Industries Hub in Southwest Alberta.

Participation Rate

Not every individual or business captured within the target market will be able or interested in participating in a Hub. Therefore, the potential user base, or market size, must be refined by assuming a **participation rate** to measure the percentage of a total target market that will likely participate.

There is no standard participation rate for creative and cultural hubs, although an estimate using figures from other markets provides some guidance. Some sources note that the average market penetration for a consumer product is between 2% to 6%, while business products (B2B) can range anywhere from 10% to 40%.[30] In the case of a creative space, it is difficult to compare it directly to a product, as it more accurately reflects a B2B service. As a result, these benchmarks must be interpreted cautiously and supplemented with context-specific data.

To further ground an estimated participation rate in the local context, the study's survey respondents were asked if they would be willing to pay to access space or equipment in a Creative Industries Hub. Forty percent (40%) of respondents indicated that they would pay to access a Hub. This suggests a generally

[30] Chron, "How to Estimate Market Penetration."

positive openness to participation; however, **stated intent can be an unreliable predictor of actual participation**, as there is often a discrepancy between intention and behaviour.

Based on the figures and factors presented, Nordicity estimated an average participation rate of 30% for operators in the target market. **Although Primary Operators are the Creative Industries Hub's focus, Secondary Operators have a similar estimated participation rate (30%), given the limited level of primary sector activity.** Generally, it is assumed that students will have a lower participation rate than companies and professionals, 8% for students within the primary market, and 3% for those in the secondary market.

Potential Users

To approximate the **number of current potential users** (i.e., individuals or groups with a high likelihood of participation), Nordicity applied the participation rates presented above to the estimated target market. The estimated total number of users of a Creative Industries Hub would be approximately70 users.

Table 3: Potential Users Estimate

		Target Market #	Participation Rate	Potential Hub Users
Primary Target Market	Operators	78	30%	23
	Students	247	8%	20
Secondary Target Market	Operators	47	30%	14
	Students	344	3%	10
Total Hub Users:				**68**

It is important to note that the potential number of Hub users is simply an estimate based on the current inventory of businesses and individuals in Southwest Alberta. **While exact anticipated growth depends on many factors, it can be assumed that as Lethbridge's population increases or as creatives are "priced out" of markets like Calgary, the pool of potential users may grow.**

4. Phased Approach to Build Capacity

This section presents Nordicity's assessment and recommendations for a path forward as Economic Development Lethbridge looks to develop a Creative Industries Hub in Southwest Alberta. While the four phases described below may be approached as a series of steps, each phase in and of itself will contribute to growing the creative industries in Southwest Alberta. No fixed timeline is proposed, as the duration of each phase will depend on evolving needs, with each phase designed to respond to and address challenges and opportunities identified through sector consultation.

The primary objective of the Creative Industries Hub of Southwest Alberta is to organize the sector sufficiently so that those working and building companies are directly involved in structuring the resources, services, and programs provided by the future Creative Industries Hub – whether those resources, services, and programs are provided through existing networks of interest holders or through a specialized physical space.

4.1. Overview

Based on Nordicity's assessment and analysis, **the most viable path to developing a Creative Industries Hub is to begin with small-scale activities.** This approach is designed to increase sector capacity and further define specific needs in response to the challenges and opportunities identified through consultation before making significant investments in a physical space and equipment. It is anticipated that measurable growth in business activity would occur gradually across four proposed phases:

- **Phase 1: Convene the Sector.** Coordination among interest holders and opportunities for workers and companies in the creative industries to connect were identified as the primary needs through consultation. Phase 1 is critical for the future success of any subsequent activities or investments, given the relatively small number of workers and companies identified as active in the sector, the geographic size of the area to be served, and the number and range of types of organizations (economic development agencies, post-secondary institutions, arts councils, online forums).
- **Phase 2: Structure Resources (Establish a Member Organization).** The second phase builds on Phase 1 by establishing a member-led organization (i.e., an industry association) dedicated to convening the sector, providing specialized programs, and advocating for the industry's continued growth. Services and programs provided through a dedicated member-led association could ensure

that Southwest Alberta's creative industries community is fully engaged in developing a Hub adapted to their needs.

- **Phase 3: Basic Physical Space and Equipment.** Phase 3 builds on Phases 1 and 2. In addition to convening, promoting, and advocating for the sector, a dedicated member organization could provide specialized programs and services from a (likely rented) physical space. Services may include providing access to meeting rooms, hot desks, and basic equipment. The member organization would use the spaces and equipment to support its programs and also rent them to members.
- **Phase 4: Specialized Purpose-Built Space.** In Phase 4, the member organization manages the necessary fundraising and oversight to build or renovate a space to offer members access to specialized spaces. Additional spaces may include an exhibition space (suitable for screenings and XR installations), a filming studio with green screen capacity, and audio recording spaces, in addition to the spaces offered in Phase 3, based on member/industry consultation. This phase would also likely include the addition of enhanced specialized equipment. Ongoing programs and services would be developed to continue to serve a range of industry needs, including training on how to use the specialized spaces and equipment.

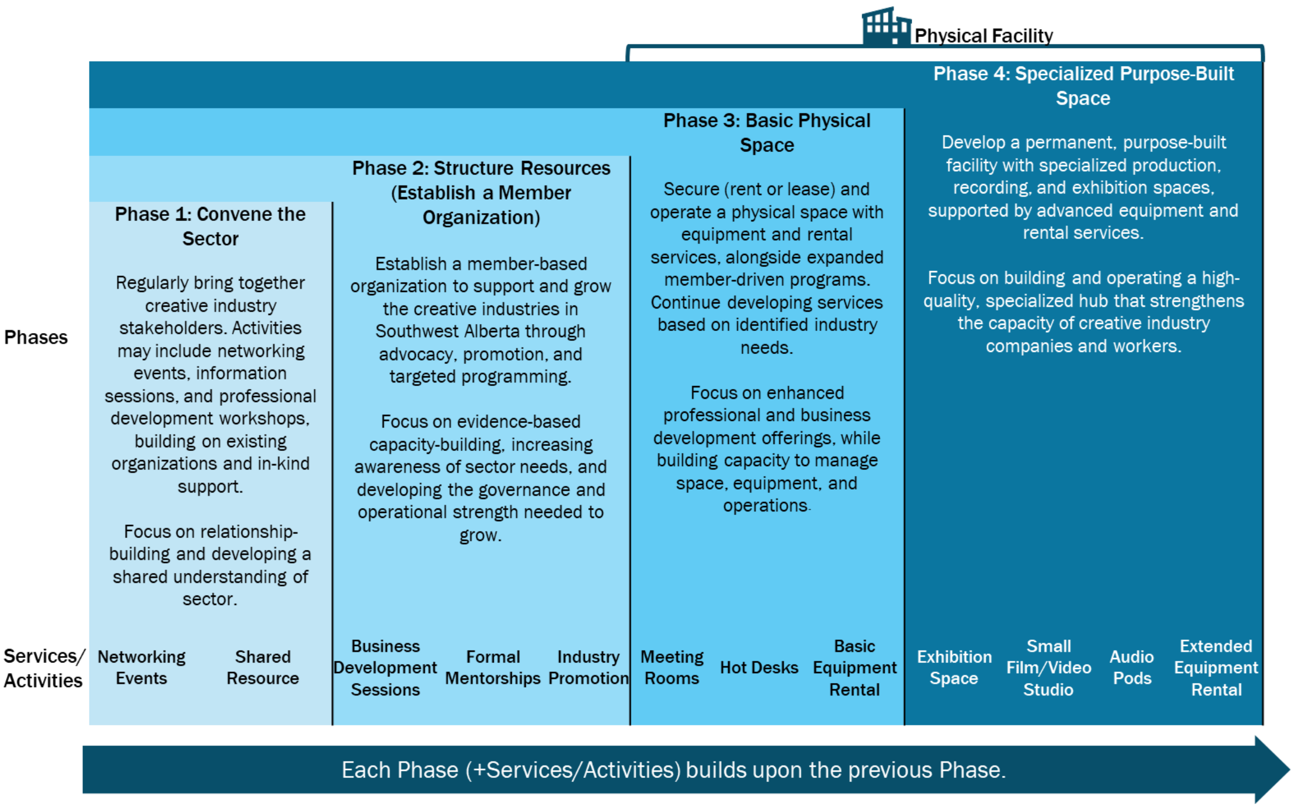
This phased approach represents a **gradual and cumulative progression**, where each phase builds on and strengthens the foundation of the previous phase. At the same time, each phase represents a viable model for sector development that does not require moving to the next phase – each phase will contribute to measurable sector growth and build the organizational capacity necessary to lead the sector and potentially manage a physical space with equipment.

While the four phases can be approached sequentially, there is no specific timeline proposed. Rather, the objective is to work with industry to provide additional services and programs as that need is demonstrated and can be supported with appropriate resources. Continued progression through the phases is not mandatory, as any one of the phases may prove sufficient to address the current needs of the sector. For example, if Phase 2 is achieved and no clear need to proceed to Phase 3 emerges, then maintaining the programs and services provided in Phase 2 represents a valid and appropriate outcome. For these reasons, Nordicity advises against proceeding to Phase 3 or 4 without first passing through Phases 1 and 2. This approach also allows for EDL and other stakeholders to validate market demand and sector readiness at each stage, ensuring that future investments are made pragmatically and with clear outcomes. The sequential phases below, and the suggested measures of progress or Key Performance Indicators (KPIs) in the Implementation Roadmap, provide a pathway for fostering the development of a Creative Industries Hub in Southwest Alberta – whether that is based on a network of companies and individuals, structured by a member organization, or connected to physical space that provides online and in-person services and programs.

Progression between phases will be guided by clearly defined indicators of ecosystem readiness and sustained demand. Advancement from early coordination activities to more structured programming and physical infrastructure will be based on evidence such as consistent participation and engagement across programs, demonstrated demand for services through repeat usage and waitlists, growth in the number and maturity of active companies and projects, and increased collaboration across the sector. Additional signals will include the formation of strategic partnerships, the ability to attract external funding or investment interest, and clear identification of unmet needs that cannot be addressed through existing or virtual resources alone. Progression into physical space (Phases 3 and 4) will need to be justified by demonstrated utilization requirements, operational sustainability, and alignment with broader regional economic development priorities, ensuring that each phase reflects both market validation and organizational readiness.

The figure below illustrates the sequential four-phase approach, showing the evolution from increased coordination to a specialized facility, with each phase building directly on and encompassing appropriate programs and services from the previous one.

Figure 9: Phases to developing a Creative Industries Hub for Southwest Alberta



Taking this sequential phased approach, Nordicity has prepared a sample operating model and capital/start-up costs for each of the four phases. The purpose of these models is to demonstrate the approximate level of investment needed to develop each phase, as well as to guide decision-making and fundraising efforts.

The table below presents the sample estimated financial progression across all four Hub phases, including earned revenue, operating expenses, operating profit/loss, and capital and start-up costs.

Please note the following:

- These figures reflect a sample/estimated model, and actual figures may vary widely from these approximations.

- The annual revenue figures reflect earned revenue only and do not account for external (non-earned) revenue sources, such as government funding, grants, or sponsorships, which could offset some annual deficits.
- Annual operating expenses do not account for any debt that may be associated with the capital and start-up investments. The deficits projected also do not reflect any interest charges, municipal taxes, etc.
- The operating deficits only reflect a gap between earned revenue and expenses, and do not fully capture the potential costs associated with financing major capital expenditures.

A breakdown and description of assumptions used to estimate revenue and expenses are in Appendix B, and assumptions used for capital/start-up costs are in Appendix C.

Table 4: Sample Operating Summary and Capital and Start-up Costs

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*	Sample Capital and Start-up Cost
Phase 1	$0	$27,430	($27,430)	+$170
Phase 2	$38,007	$105,190	($67,183)	+$7,200
Phase 3	$141,784	$393,970	($252,186)	+$59,200
Phase 4	$333,372	$462,916	($129,544)	+$3,777,400

* Earnings before interest and taxes

Each Phase is expected to operate at a deficit, with the largest shortfall occurring during the period of greatest expansion (Phase 3), before improving in Phase 4 as revenue is projected to increase (assuming the market size continues to grow and the services, programs, spaces, and equipment are effectively aligned with industry need and capacity to pay for those items.

4.2. Anticipated Risks

As with any undertaking, there are risks that will need mitigation. The following identified risks apply to all Phases, but are particularly relevant for Phases 3 and 4, when a physical space is established, and capital investment is required:

Small and Potentially Inconsistent User Base

Despite demonstrated interest, the relatively small size of the regional creative community presents a challenge. Many creative professionals work on a project-by-project basis, resulting in fluctuating and unpredictable use of/demand for space, equipment, and services. This irregular usage pattern may limit the Hub's ability to build a stable base of recurring users or members, and to maintain sustained rental occupancy. The Phased approach will help ensure that the Hub closely meets user needs and does not expand beyond demand.

Lack of Specificity and Target Focus

Given the current size of the target market and number of potential users in Southwest Alberta, a future Hub may face challenges in defining a clear and focused value proposition. Unlike larger markets with higher potential user bases, the region's small population limits the development of a Hub that meets the specialized needs of a specific sector. As a result, it is possible that the programming and services may be too general to appeal to some key users, or to stay relevant as the industry evolves. It will be important to stay close to user needs and to market the Hub effectively to sustain and grow uptake.

Operating Deficits

Creative and cultural spaces typically operate with slim margins or deficits. Based on the projected operating models (see the Phased Approach section below), each Phase is assumed to run at a deficit when considering earned revenue alone. Even with external support and public funding, there is a risk that the total revenues may not offset capital investments or annual operating costs. The primary returns of a Hub are not expected to be financial, but more likely indirect, such as economic development, talent retention, sector growth, and cultural impact. Tracking key performance indicators (KPIs) will be essential to demonstrate that the Hub is meeting its aims and providing the expected returns, including benefits that may not have a demonstrable economic impact in the short term.

Affordability Constraints Among Users

Many creatives, especially freelancers, small businesses, and emerging operators, have limited or inconsistent income streams. This reality can make it difficult for them to consistently afford membership fees, rentals, or service costs. Pricing models set at levels that support operations may inadvertently exclude core users and reduce the Hub's user base, while lower pricing models may increase accessibility but worsen deficits. While the high-level operating models below indicate membership and rental fees, rates will need careful consideration and ongoing review over time.

Prohibitive Equipment Maintenance Costs

Shared access to specialized equipment increases wear and tear. This can result in higher-than-expected maintenance, repair, and replacement costs. Failure to plan for repairs or to properly budget for maintenance may lead to poor equipment quality, reduced user satisfaction, or unexpected costs. As such, there will need to be a sinking fund for equipment upgrades/replacements as well as insurance.

Risk of Technological Obsolescence

Rapid innovation in production technology and creative workflows present an ongoing risk of obsolescence. High-cost equipment and infrastructure investments may become outdated within a relatively short timeframe, reducing their relevance to core users. This risk is particularly challenging for a Creative Industries Hub, where capital budgets may be limited and upgrading equipment regularly may not be financially feasible. As failure to keep pace with industry standards could diminish the Hub's attractiveness to professional users, as mentioned above, ongoing budgeting for technological upgrades will be necessary.

4.3. Phased Approach: Detailed Descriptions

Phase 1: Convene the Sector

This phase focuses on the organization of the Southwest Alberta creative Industries community through regular, purposeful convening of companies and professionals working in the sector along with organizations that support its development. This convening work should include students and post-secondary institutions to ensure future workers and entrepreneurs are aware of and help to shape the resources for the future. The objective is twofold: strengthen networks within the creative industries community and create a "buzz" about opportunities for workers and entrepreneurs in Southwest Alberta.

The convening of the sector could be achieved by a group of existing organizations establishing an ad hoc committee. This committee should have defined terms of reference that clearly state its goals and provide indicators of progress to support decision-making to identify whether to proceed to Phase 2. Convening activities might include networking and information sessions, and/or general professional and business development workshops.

This phase builds on connections and resources available through the existing networks of key organizations; including, Screen Lethbridge, Economic Development Lethbridge, Blood Tribe Economic Development, Indigitech Destiny, BIPOC Foundation, Regional Innovation Network of Southern Alberta (RINSA), University of Lethbridge, Lethbridge Polytechnic, Coalbanks Creative, Lethbridge Independent Film Society, Lethbridge Game Developers Guild, Allied Arts Council of Lethbridge, etc. (participating organizations collaborate to organize the community primarily through in-kind supports). The focus of this phase is relationship building, and developing an understanding of needs, challenges and opportunities across the creative industries.

Characteristics:

- No formal membership structure; however, an ad hoc committee of interest holder organizations is advised.
- Mostly event-driven, with locations rotating based on availability (e.g., library meeting rooms, community halls, etc.)
- Does not require fundraising, assuming participating committee members and other organizations provide any required human resources, space rental, and guest-speaker fees on an in-kind or volunteer basis. A small operating budget has been developed to reflect minimal costs that may be incurred to hold purpose-driven sessions.
- Programming would include:
  - **Networking Events/Mixers**: Events and mixers would represent the primary means of bringing people together to start building a community.

- **Internal and Shared Resource Development**: This may include building a universe of companies/freelancers/vendors; lists of public or private funding opportunities relevant to local creators; centralized calendar of crew calls/showcases/other opportunities; template library; etc.

Objectives:

Develop the creative industries community's energy and willingness to work together; make entrepreneurs and workers aware of general business skills development programs, workshops, and initiatives available through a range of interest holders (economic development organizations, arts organizations, and post-secondaries, etc.); develop shared digital space (web site or page on an appropriate existing web site) to begin to establish an information and resource hub for the creative industries; build a working profile of the local creative ecosystem (internally) to support better-informed planning.

Triggers to advance to Phase 2:

Phase 1 provides the ad hoc committee with the opportunity to confirm interest in a member organization, to develop a deeper understanding of key industry supports required, as well as time to refine the case for formalizing a member organization. To ensure an evidence-based approach that will build the argument for establishing a purpose-driven member organization, the decision to move to Phase 2 will primarily be driven by industry demand and demonstrated willingness or capacity to pay, and the apparent financial viability of Phase 2. KPIs indicating readiness include:

- Industry demand: The level of repeat participation of creative industries entrepreneurs and workers in networking and information/training sessions; number of organic referrals to the networking events.
  - The ad hoc committee will need to determine the minimum level of activity and participation rate (e.g., at least 4 events over 12-months with at 75% capacity; 30-50% of identified network attending 2+ events in a 12-month period). Note, a database of workers and companies in the creative industries will be required to track participation rates.
- Value perception: Consistently high participant/attendee satisfaction with Phase 1 offerings and perceived value (e.g., reported belief in being unable to access that support elsewhere), tracked via surveys.
- Financial viability: Willingness/capacity of the local creative industry community to pay membership and event fees totalling at least $38,000 annually and ability of the organization to secure grants of ~$70,000 annually (in line with Phase 2's sample operating plan, below).

Sample Operating Plan:

In Phase 1, it is assumed that there will be no earned revenue. Revenue sources may include in-kind contributions from key interest holders, volunteer time (to support coordination, research, web page set up, etc.), and/or project grants from government and/or foundations. These revenue sources are not included in this sample operating plan.

Operating expenses will be minimal and primarily limited to administrative, programming, marketing/ outreach, and facility rental. Some salary or wage expenses are anticipated; however, no full-time employees are expected at this stage. Instead, labour is assumed to be provided in-kind by committee members and other interest holders.

Table 5: Phase 1 Annual Operating Expenses

Annual Operating Expenses	Estimated Value
Salaries Expenses	$17,500
Administrative and Facility Expenses	$3,030
Programming Expenses	$6,900
Total	**$27,430**

Minimal capital and start-up costs for Phase 1 are required for Phase 1, likely less than $200, primarily to develop a simple online engagement portal/tool where participation data can be collected and then downloaded to a spreadsheet.

In Phase 1, operating activity is limited and expenses are kept low; however, in the absence of earned revenue, a deficit is assumed to demonstrate that some level of in-kind and/or volunteer support would be required.

Table 6: Phase 1 Sample Operating Plan

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*
Phase 1	$0	$27,430	($27,430)

Sample Capital and Start-up Cost
+$170

* Earnings before interest and taxes

Phase 2: Establish a Member Organization

Phase 2 formalizes the creative industries community (described in Phase 1) into a structured, dues-paying membership organization. The establishment of the member organization could be entirely from scratch, or it could be achieved by enhancing capacity and/ adapting the vision, mission, and objectives of an existing organization. The objective is to consolidate coordination across various interest holders, establish governance, and create a purpose-driven, industry-led organization that supports sector development. The organization could be established from scratch, or it could be developed by adapting, refining and/or expanding the mandate of an existing organization that is recognized by all components of the creative industries as a viable leader for the sector.

Once established, the member organization could seek earned revenue through membership and event fees, in addition to grants and contributions from a range of private and public sources to develop targeted sector-specific capacity-building programs and services as well as and to promote and advocate for the creative industries in Southwest Alberta.

The focus of this phase is industry capacity-building, using an evidence-based approach; as well as raising public and industry awareness around the needs, challenges and opportunities for all components of the creative industries sector. This phase also allows the organization to build the operational and governance capacity required to access larger project funding streams and capital financing.

Characteristics:

- Formalization of organization into legal entity with a formal governance structure
- Dues-paying members
- Paid staff
- Enhanced programming with continuity from Phase 1 -- Industry Access Point: formalizing the role of the “Hub” as a gateway for the region’s creative industries: the place where local practitioners come to get involved in the local industry and connect with others, while also providing a single, credible entry-point for external producers and/or inbound investors to understand the sector better and access talent, market intelligence, and collaboration opportunities within the region.
  - Ongoing networking/mixer and workshop/upskilling events and sessions (per Phase 1) – perhaps some more ambitious sessions as budget/demand grow
  - Workshops/Upskilling Sessions (6/year): These may include a “creative business bootcamp”, marketing or promotional training, how to pitch to private capital, grant-writing peer sessions, specialists presenting new/emerging practices, etc.; some sessions may be done in collaboration with post-secondaries, guest speakers from Calgary or elsewhere, etc.
  - Mentorship Matching: a program that pairs more experienced creative industry professionals with emerging practitioners or early-stage firms, where possible, for guidance
  - Capacity to consider future use cases for a physical Hub including planning work (needs assessment, site exploration, model design)

Objectives:

Formalize networks into a member-based organization with defined governance to consolidate representation and sector coordination; deliver structured professional and business development programs; establish a recognized industry access point for local and external stakeholders; and build the administrative capacity needed for potential future expansion while maintaining low capital risk.

Triggers to advance to Phase 3:

Phase 2 represents a significant first step to the formal organization of the creative industries sector. Ensuring a solid governance structure that is meaningfully led by industry representatives across all components of the creative industries will be critical to the development of a Creative Industries Hub in Southwest Alberta. The organization will be well-positioned to lead next step assessments in addressing urgent sector needs and identifying key challenges and opportunities. Industry membership will hold the organization accountable to those efforts and ensure future programs and services are realistic and timely.

In considering a move to Phase 3, it will be critical to demonstrate both industry needs and gaps and organizational capacity to fundraise and manage space and equipment rental. Moving to Phase 3 will require a confluence of factors – some internal, some opportunity-based, such as:

- Organizational stability: Stable membership, finances, and governance participation over 18-36 months.
- Demand: Programs/events often at or near capacity; difficulty securing appropriate venues to meet the demand; clear identification of unmet needs that cannot be addressed through existing or virtual resources alone, such as reported industry demand for space and equipment (e.g., roughly one third of members interested in equipment rental) and/or a sizable number of members indicating interest in shared workspace.
- Membership health/growth: Growing number of active companies in the membership database (e.g., year-on-year growth of registered and revenue-generating companies, tracking the % still active after 1, 3, 5 years etc.); tracking the % companies in the membership advancing in maturity stages per year (e.g., from pilot to revenue-generating, scaling company to mature) and average time to meet the next maturity stage; project pipeline growth (e.g., the # and % growth in active projects, defined as funded initiatives and/or projects in development); # of new projects launched per year; # of funded companies/projects and total capital raised (by maturity stage); # of meaningful connections made by organization members/attendees and # of collaborations or hires within X months of joining the organization or attending training/events).
- Industry growth and economic impact: Employment numbers (e.g., # of employees per member company) and revenue estimates per company.
- Financial viability: ~$60,000 in actual membership and programming revenue; ~$65,000 in projected space-related rental revenue and ~$20,000 projected equipment rental revenue (based on members' reported demand and willingness to pay measured via surveys). These targets are based on Phase 3's sample operating plan, below.
- An appropriate physical space (whether permanent or temporary) being available, and access to public funding to move ahead with acquiring and provisioning that space.

Sample Operating Plan:

In Phase 2, it is anticipated that some earned revenue will be generated through membership and program fees.

Table 7: Phase 2 Annual Earned Revenue

Annual Earned Revenue	Estimated Value
Membership and Programming Revenue	$38,007
Total	**$38,007**

Annual operating expenses will increase in Phase 2 to hire a full-time employee to act as the association's Executive Director, along with a part-time or contracted Administrator/Bookkeeper. Administrative and facility expenses, such as insurance, professional fees (legal, accounting, etc.), and advertising and promotion, will increase to support the operations of an industry association. Programming expenses will also increase, reflecting expanded programming activity, a higher number of events, increased data and information collection, and analysis.

Table 8: Phase 2 Annual Operating Expenses

Annual Operating Expenses	Estimated Value
Salaries Expenses	$81,500
Administrative and Facility Expenses	$8,290
Programming Expenses	$15,400
Total	**$105,190**

Capital and start-up costs for Phase 2 are anticipated to be approximately $7,200. Although there is no fixed permanent space in Phase 2, these costs include incorporation fees, website development, and the purchase of a computer for the Executive Director.

In Phase 2, the deficit increases as operating expenses rise significantly with the addition of staff and expanded programming. No additional revenue sources (government grants, sponsorships, etc.) are assumed in the sample operating plan. While earned revenue is introduced, there is a large operating gap in the absence of additional public or private revenue sources.

Table 9: Phase 2 Sample Operating Plan

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*
Phase 2	$38,007	$105,190	($67,183)

Sample Capital and Start-up Cost
+$7,200

* Earnings before interest and taxes

Phase 3: Basic Physical Space and Equipment

Phase 3 represents the first step into physical infrastructure: the organization secures and operates a modest, leased space that provides a home base for programming and other organizational activity, as well as a dedicated space for members to gather and work. The space would be flexible in design, aiming to support workshops, hot desks, and informal collaboration rather than specialized technical spaces.

This phase would also introduce basic equipment rentals; as resources allow, staff would build a collection of rentable equipment as funding allows. Cost-effective opportunities to acquire used equipment and/or in-kind contributions could be leveraged without the need for a major capital campaign. Examples include a local company selling used gear, post-secondary replacing old cameras with newer models, provincial or national equipment suppliers may provide in-kind donations.

Phase 3 will also require adjustments and capacity building both in terms of the number and the experience and expertise of the staff as basic facility and equipment management is added to the ongoing activities of program delivery, industry promotion and advocacy.

Characteristics:

- Formalize rent/purchase and management of a physical space with basic equipment
- Member-led industry accountability through strong governance structure
- Increase number of staff and develop internal expertise
- Enhanced programming with continuity from Phase 1 and 2 to reinforce the organization as the Industry Access Point in the role of a “hub” as a gateway for the region’s creative industries. Enhanced and refined programming based on industry intelligence, local needs, challenges, and opportunities. The addition of more practical/equipment-related skills training.

Objectives:

Enhance business and professional development-focused programs and services with the addition of equipment and space rental; continue to strengthen the collection, analysis and sharing of industry intelligence to support local business development; refine collection and analysis of member and broader creative industries development in Southwest Alberta; build organizational capacity to manage a physical space including for rental, and to manage equipment purchase, rental, and maintenance.

Triggers to advance to Phase 4:

Prior to considering Phase 4, it will be essential to demonstrate the sustainability of Phase 3. The demand for and use of space and equipment (in addition to programs) will need to be tracked closely to ensure ongoing operational capacity while maintaining manageable financial exposure and preserving flexibility for future adjustments. Phase 4 requires significant capital investment, which will depend on clear evidence of industry need, in addition to demonstrated organizational capacity to take on a major capital project.

There may not prove to be demand or appetite to finance the significant capital investments required for Phase 4 as described here; regardless, Phase 3 will require that the organization adapt to industry needs as equipment technology evolves and industry matures. For example, the space may be sufficient, but industry may require more sophisticated equipment, or maturing companies may require office space rather than hot desks. In that sense, Phase 3 and 4 may be approached as a gradual ramping up of enhanced space and equipment offers, again leveraging lower-cost opportunities for equipment upgrades and shared spaces to offer enhanced space through cost-sharing and renovation, rather than a purpose-built centre. Readiness indicators for Phase 4 include:

- Organizational sustainability: Stable membership and finances (including earned revenue of ~$142,000 and grants to cover ~$250,000 of operating expenses per year in line with the sample operating plan below) over 18-36 months.
- Demand: Demonstrated demand for space rentals (minimum ~$67,000 revenue p/y), equipment rentals (~$17,000 revenue p/y) and membership/programming (revenue of ~$60,000 p/y in line with Phase 3's sample business); clear identification of industry unmet needs for specialist spaces and equipment (e.g., roughly one third of members interested in identified specialist spaces/equipment assets).
- Membership health and growth, using the same indicators as Phase 2 for comparability.
- Industry growth and economic impact: Employment numbers (e.g., # of employees per member company) and revenue estimates per company; X% increase in production and production volume for film and television that stays in Southwest Alberta and employs local people.
- Financial viability: Identified funding channels to cover substantial Phase 4 site acquisition and capital costs (see high-level estimates in Appendix C).
- Suitable site(s) available for a purpose-built Creative Industries Hub.

Sample Operating Plan:

With the addition of a physical space, equipment rentals, and the expansion of programming and services, revenue in Phase 3 is expected to increase. Space-related and Equipment Rental revenue is anticipated for the use of meeting rooms, offices or hot desks, and basic video production kits. Membership and Programming revenue are projected to increase as the user base grows and as programming expands. No additional revenue sources (government grants, sponsorships, etc.) are assumed in the sample plan.

Table 10: Phase 3 Annual Earned Revenue

Annual Earned Revenue	Estimated Value
Space-related Rental Revenue	$66,632
Equipment Rental Revenue	$17,121
Membership and Programming Revenue	$58,031
Total	**$141,784**

In Phase 3, space-related expenses will increase with the inclusion of rent. Salary expenses will also increase as the Hub will require additional staff to maintain the physical space and to manage rentals and programming. In addition to the Executive Director, it is anticipated that a Program Manager and Equipment Manager will be hired, and the Administrator/Bookkeeper role will transition from part-time to full-time. Administrative and facility expenses will increase significantly from Phase 2, as maintenance and janitorial services will be required to manage the physical space. Insurance, professional fees, utilities (e.g., internet), office supplies, and advertising and promotion will either increase or be newly introduced in this phase. Programming expenses will rise, alongside expanded activity, and may include annual costs relating to equipment repair and software subscriptions (e.g., Adobe Creative Cloud).

Table 11: Phase 3 Annual Operating Expenses

Phase 3 Annual Operating Expenses	Estimated Value
Space-related Expenses	$53,000
Salary Expenses	$236,000
Administrative and Facility Expenses	$57,970
Programming Expenses	$47,000
Total	**$393,970**

In this third phase, capital and start-up costs will increase with the rental or leasing of a physical space. While no real estate purchases or construction costs are anticipated, there will be facility-related costs associated with properly equipping and retrofitting the space. Other facility costs include equipment, furniture, and technology/computer purchases. Initial start-up costs may also include incorporation fees and the development of a website.

Table 12: Phase 3 Capital and Start-Up Costs

Capital and Start-up Cost Type	Estimated Value
Facility-related Costs	$39,000
Start-up Costs	$20,200
Total	**$59,200**

The deficit is most pronounced in this Phase, where there is a substantial rise in operating expenses, despite earned revenue also increasing.

Table 13: Phase 3 Sample Operating Plan

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*	Sample Capital and Start-up Cost
Phase 3	$141,784	$393,970	($252,186)	+$59,200

* Earnings before interest and taxes

Phase 4: Specialized, Purpose-Built Space

Phase 4 is the full realization of a physical Creative Industries Hub – a purpose-built space that includes specialized spaces for creation, convening, and exhibiting. The space may be a new build or a renovation. This phase would also likely see the addition of enhanced specialized equipment. Ongoing programs and services would be developed to continue to serve a range of industry needs as they continue to evolve. It is anticipated that support for new entrants and early-stage companies will continue even as supports for mid-and established professionals and companies expands. With the addition of enhanced specialized equipment, specific equipment use and skills development programming will be required.

Whether Phase 4 is a full build or a series of renovations, it will require organizational capacity building. The number of staff and the expertise required to manage the build/renovations and management of enhanced specialized equipment will result in increased operational costs, even as ongoing activities of program delivery, industry promotion and advocacy are refined.

Characteristics:

- May represent a transition from renting to ownership of space, or at minimum, responsibility and investment in leasehold improvements (and ownership of more complex equipment).
- Specialized spaces include an exhibition space (approximately 1,000 sq ft, suitable for screenings and XR installations), a film studio with green screen capacity, post-production facilities, and audio-recording spaces.
- Assuming continued industry need for meeting rooms, hot desks, and offices.
- Basic rental equipment, along with additional enhanced specialized equipment, will require enhanced maintenance capacity.
- Increase in the number of staff and the need to further develop internal expertise
- Enhanced programming with continuity from Phases 1, 2, and 3 as a gateway for the region's creative industries. Enhanced and refined programming based on industry intelligence, local needs, challenges, and opportunities. The addition of more practical/equipment-related skills training.

Objectives:

Enhance business and professional development-focused programs and services with the addition of specialized spaces and equipment rental; promote and celebrate the sector through public exhibition (screenings, video games and XR experiences); continue to strengthen the collection, analysis and sharing of industry intelligence to support local business development; refine collection and analysis of member and broader creative industries development in Southwest Alberta; build organizational capacity to fundraise for capital purchase and maintenance, to manage a more complex physical space and equipment.

Indicators of Success:

- Organizational sustainability: Stable membership and finances (e.g., earned revenue of ~$335,000 and grants to cover at least $130,000 of operating expenses plus any debt repayment per year in line with Phase 4's sample operating plan).
- Demand: Sustained demand for programming, services (including equipment rental) and space rentals (e.g., ~$190,000 in space-related revenue, ~$70,000 in equipment rental revenue, and ~$70,000 in membership and programming revenue year on year).
- Membership health and growth: Continuing to track and demonstrate growth in the # of active companies year-on-year, % still active after 1, 3, 5 years); % companies in the membership advancing in maturity stages per year and average time to meet the next maturity stage; project pipeline growth, # of new projects launched per year; # of funded companies/projects and total capital raised (by maturity stage); # of meaningful connections made by organization members/attendees and # of collaborations or hires within X months of joining the organization or attending training/events).
- Industry growth and economic impact: Employment numbers (e.g., # of employees per member company) and revenue estimates per company; X% increase in production and production volume for film and television that stays in Southwest Alberta and employs local people.

Comparable Hubs

Examples of specialized, purpose-built creative industries hubs can be found in across Canada. Organizations like the Winnipeg Film Group, Cineworks Independent Filmmakers Society (Vancouver) and Liaison of Independent Filmmakers of Toronto (LIFT) provide targeted infrastructure, equipment, and training to support film and television industry activity. Other spaces like Danforth Creative Commons (Toronto) and Durham Creative Arts Centre (Durham, On) provide a broader range of services and spaces, including meeting rooms, desk access, audio and video recording facilities, and other creation production spaces.

Across the country, these hubs operate under a range of ownership and governance models. Many creative industries hubs are either operated privately or by not-for-profit organizations, while other such as The Orange Hub (Edmonton) and Yukonstruct (Whitehorse), are either predominantly or entirely government-operated or supported.

Sample Operating Plan:

With expanded and improved space and equipment offerings, revenue in Phase 4 is expected to increase. Similarly, industry growth and expanded programming offerings are expected to drive increases in memberships and programming-related revenue. No additional revenue sources (government grants, sponsorships, etc.) are assumed in this sample operating plan.

Table 14: Phase 4 Annual Earned Revenue

Annual Earned Revenue	Estimated Value
Space-related Rental Revenue	$191,033
Equipment Rental Revenue	$70,347
Membership and Programming Revenue	$71,992
Total	**$333,372**

Annual operating expenses related to space will increase in Phase 4, as it is anticipated that the Hub will transition from leasing to ownership, and will have a monthly mortgage and will owe annual property taxes. Costs related to salaries and labour will also increase, as additional part-time and full-time staff will be needed to maintain the expanded facility and support programming and rental activity. As the facility grows, administrative, facility, and programming expenses will increase accordingly.

Table 15: Phase 5 Annual Operating Expenses

Annual Operating Expenses	Estimated Value
Space-related Expenses	$27,582
Salary Expenses	$281,000
Administrative and Facility Expenses	$83,334
Programming Expenses	$71,000
Total	**$462,916**

Capital costs in Phase 4 are anticipated to be significant, as they include the purchase of land and construction of a purpose-built specialized facility. The construction estimate can be found in Appendix C. Additional capital costs will also include furniture, equipment, and technology purchases, building on anticipated investments made in Phase 3.

Start-up costs are expected to be lower than in Phase 3, as foundational investments (e.g., a website) will already be in place from Phase 3 and will not need to be repurchased.

Table 16: Phase 4 Capital and Start-up Costs

Capital and Start-up Cost Type	Estimated Value
Facility Costs	$3,772,200
Start-up Costs	$5,200
Total	**$3,777,400**

In Phase 4, a deficit is expected, but it decreases relative to Phase 3. This reflects continued growth in earned revenue and a more mature operating mode.

Table 17: Phase 4 Sample Operating Plan

	Sample Annual Earned Revenue	Sample Annual Operating Expenses	Sample Operating Profit/Loss*
Phase 4	$333,372	$462,916	($129,544)

Sample Capital and Start-up Cost
+$3,777,400

* Earnings before interest and taxes

4.4. Economic Impact Projection of a Physical Hub

Nordicity estimated **the economic and fiscal impact that could be generated by a physical Creative Industries Hub** for Southwest Alberta (Phases 3 or 4) if Hub users were to achieve an increase in earnings attributable to the Hub. These figures would add to the creative industries' existing economic impact, based on the assumption that a Hub would strengthen workforce capacity, contribute to increased work opportunities, and lead to additional economic activity. This impact assessment does not include the impact of constructing a physical facility, as there are too many unknowns at this stage (size, location, whether renovation or new build, etc.).

Nordicity used MyEIA™, its proprietary economic impact assessment tool, for the calculations. MyEIA™ relies on provincial input-output (I-O) tables published by Statistics Canada to generate quantitative estimates of the impact that an industry has on the economy. Economic impact assessments typically measure four key metrics: gross domestic product (GDP), employment (FTEs), labour income, and fiscal impact. Additional details about MyEIA™ and the economic impact metrics are in Appendix D.

The figures presented in this section are illustrative rather than predictive. It should be noted that a physical space will take several years to renovate (or build) and likely several more years of programs before increased economic activity would be felt by Hub users. Given the preliminary nature of this report, and the fact that the Creative Industries Hub does not yet exist, the projections presented are based on limited data and a series of informed assumptions. The calculation assumes that Hub users experience a 23% uplift in earnings attributable to their participation and that their increased income aligns with average salaries in Canada's film and TV and video game industries.[31] These assumptions were selected as an illustrative benchmark in the absence of primary data. The figures are intended to help stakeholders contextualize the potential scale of economic contribution, rather than to predict a specific outcome.

The economic impact of a potential Creative Industries Hub with a physical space captures **three key types of impact** across the broader economy, including:

- **Direct impact:** The employment, labour income, gross domestic product, and fiscal impacts contributed by any entity as a result of salaries and wages paid to employees, as well as any profits the entity earns from its operations. In this analysis, the direct impact is modelled from the incremental earnings of individual Hub users rather than from the operations of an entity (as Hub users may have incorporated businesses or be freelancers). As such, it reflects users' additional income flowing into the economy through their spending, rather than organizational expenditures such as wages.
- **Indirect impact:** The employment, labour income, gross domestic product, and fiscal impacts generated within the supply chain, as businesses purchase goods and services to support their operations.
- **Induced impact:** The employment, labour income, gross domestic product, and fiscal impacts generated by workers employed by businesses within the supply chain in this analysis (i.e., those who have earned income as a result of the activities of individual hub users) spending their wages on everyday goods and services.

It is anticipated that access to a physical Hub's tools, resources, and services would lead to an increase in Hub users' revenues and salaries within the region. To illustrate the potential economic impact of a future physical hub, Nordicity used the estimated number of potential hub users (70) and assumed that a physical Creative Industries Hub (Phase 3 and/or 4) would increase those users' current earnings or salaries. For current earnings or salaries, the calculations used the average salary across all sectors in Alberta (approximately $71,240).[32] It was then assumed that Hub users' income would increase to $87,319. The increased income reflects the weighted average of the Canadian film and television production sector's average salary ($82,425) and the Canadian average video game salary ($102,000).[33]

The estimated **direct GDP contribution** to the Alberta economy from a Southwest Alberta Creative Industries Hub is projected to be **$99,045 annually** (see table below). With indirect and induced GDP

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[31] Nordicity used current salaries and assumed that users' income would increase from the average salary in Alberta (approximately $71,240) to the weighted average of Canadian average film and television production sector salary ($82,425) and Canadian average video game salaries ($102,000). The weighted average reflects an assumed user split for the Hub of 75% users from the film and TV industry and 25% from the video games industry. The assessment assumes 70 users will benefit from the Hub. It is anticipated that access to the Hub's tools, resources, and services would lead to an increase in users' revenues and salaries within the regional sector.

[32] Statistics Canada, https://www12.statcan.gc.ca/census-recensement/2021/as-sa/fogs-spg/page.cfm?lang=e&dguid=2021A00054802012&topic=5&objectid=4d#income-obj4d

[33] CMPA, "Profile 2024: An economic report on the screen-based media production industry in Canada," 2025.
ESAC, The Canadian Video Game Industry, 2023-24 Industry Profile
The weighted average reflects an assumed user split for the Hub of 75% users from the film and TV industry and 25% from the video games industry.

considered, the additional estimated contribution would be roughly **$934,405 annually.** Direct employment/FTEs and labour income are not applicable, as the analysis is based on all potential users' additional income attributed to the Hub. The Hub users' incremental earnings are assumed to enter the economy as "non-labour spend" (i.e., users would not be hiring employees and spending on wages and salaries).

Indirect and induced employment totals **9 additional FTEs**, while indirect and induced labour income is projected to total **$454,959 annually.** The full breakdown of additional economic impacts of production companies' expenditures is summarized in the table below.

Table 18: Estimated Annual Economic Contribution of a Physical Creative Industries Hub for Southwest Alberta

	Direct Impact	Indirect Impact	Induced Impact	Total Impact
Employment (FTEs)	0	7	2	9
Labour income ($)	0	359,446	95,512	454,959
Gross domestic product ($)	99,045	610,621	224,739	934,405

Source: Nordicity MyEIA Model, Statistics Canada, federal and provincial government accounts.

Nordicity also projected additional tax contributions (see table below). The largest contribution is anticipated to come from personal income taxes generated by the user base – an additional **$109,029**. The total additional tax contributions are expected to amount to approximately **$220,536 annually**.

Table 19: Estimated Annual Tax Contributions of a Physical Creative Industries Hub for Southwest Alberta

	Federal	Provincial	Total
Personal income taxes	77,109	31,920	109,029
Corporation income taxes	26,906	16,606	43,513
Consumption taxes	27,070	16,182	43,251
Local property taxes and other fees	0	24,743	24,743
Total	131,085	89,451	220,536

Source: Nordicity MyEIA Model, Statistics Canada, federal and provincial government accounts.

5. Implementation Roadmap

The action plan below outlines critical steps in each project phase to develop a Creative Industries Hub with key performance indicators (KPIs). While the phases are sequential – e.g., the preceding phase should be complete before moving to the next – each phase represents a viable model for sector development that does not necessarily require moving to the next phase unless there is evidence of demand. Triggers for moving from one phase to another are indicated below.

PHASE 1: CONVENE THE SECTOR				
Objectives	**Example actions**	**Human resource implications (incremental FTE)**	**Estimate costs (non-staff)**	**KPIs (target numbers to be assigned)**
1.1 Develop the creative industries community's energy and willingness to work together	1.1.1 Establish an ad hoc committee	0.2	-	Ad hoc committee established with confirmed terms of reference, meeting XX times per year
	1.1.2 Host regular networking sessions and/or professional or business development workshops	*Included in FTE above*	$1,200 for event space rentals $1,500 for speaker/instructor fees $450 insurance $2000 programming costs $2000 other event costs (e.g.,	XX events occurring a year, with at least XX attendees Levels of engagement indicated by repeat attendees (e.g. at least 1/3 of attendees attending 2+ sessions each year

			hospitality; not including labour)	Participant ratings of program quality consistently high Willingness/capacity of local creative industry community to pay event fees
	1.1.3 Create database of interested organizations and individuals (could be simple Google form linked to spreadsheet) and keep them informed of events and other collaboration opportunities	*Included in FTE above*	-	Database created and maintained; at least XX contacts, of which XX% attend 2+ events in 12 month period)
1.2. Make entrepreneurs and workers aware of general business skills development programs, workshops, and initiatives available through a range of interest holders (economic development organizations, arts organizations, and post-secondary institutions, etc.)	1.2.1 Research existing supports available to meet the regional creative industries' needs described in this document and create a spreadsheet, and/or interactive PDF linking to these resources	*Included in FTE above*	-	Document created
	1.2.2 Market the resource to the growing database and by proactively asking partner organizations to share	*Included in FTE above*	$580 for advertising and promotion $200 subscription fees (marketing platforms)	Resources shared with current data base at least once per year – with target document open rate of 30%

1.3 Develop a shared digital space (website or page on an appropriate existing website) to begin to establish an information and resource hub for the creative industries	1.3.1 Ask event attendees to share the types of information or content that they would find more useful	*Included in FTE above*	-	Feedback from at least 15% of event attendees
	1.3.2 Design webpage (e.g., on Economic Development Lethbridge's website) to share the desired information	*Included in FTE above*	$1,500 professional fees $500 online presence maintenance	Webpage live and at least XX hits to the webpage a month (e.g., representing XX% of the total estimated regional industry inventory size)
1.4 Support better-informed planning by building a working profile of the local creative ecosystem (internally)	1.4.1 Continue to add to the Southwest Alberta Creative Industries Inventory spreadsheet (created for this project) over time as additional organizations/individuals emerge	*Included in FTE above*	-	At least XX new contacts added to the list from the primary target market
	1.4.2 Survey database members to learn more about them and their needs (e.g., when company was founded, type of business, location, revenue, whether BIPOC, gender; specific training programs of interest, any office space requirements and willingness to pay, etc.)	*Included in FTE above*	-	Responses from at least 40 participants in the first year, and 15% of database members ongoing

Triggers to move to Phase 2: Demonstration of…

- **Industry demand:** The level of repeat regular participation of creative industries entrepreneurs and workers in networking and information/training sessions; the number of organic referrals to the networking events.
- **Value perception:** Consistently high Levels of participant/attendees' satisfaction with Phase 1 offerings and perceived value (e.g., reported belief in being unable to access that support elsewhere), tracked via surveys.
- **Financial feasibility:** Willingness/capacity of the local creative industry community to pay membership and event fees totalling at least $38,000 annually and ability of the organization to secure grants of ~$70,000 annually (in line with Phase 2's sample operating plan).

PHASE 2: ESTABLISH A MEMBER ORGANIZATION

Objectives	Example actions	Human resource implications (incremental FTE)	Estimate costs (non-staff)	KPIs
2.1 Formalize networks into a member-based organization with defined governance	2.1.1 Found a member-based organization	0.4 (0.2 of existing staff time plus part-time bookkeeper)	$200 incorporation fee $2,000 tech/computer purchase	Organization created and registered
	2.1.2 Recruit Executive Director (ED) to help establish and run the organization	1	-	ED has successfully been in the role for at least one year
	2.1.3 Research and confirm membership fees	*Included in FTEs above*	-	Research complete and fees confirmed

2.2 Recruit members, track growth and deliver targeted, structured professional and business development programs	2.2.1 Implement Customer Relations Management (CRM) system and migrate existing database data into it	*Included in FTEs above*	Estimated $200-300 p/m	Suitable CRM set up and actively tracking membership interactions (e.g., email open rates, event and training sign-ups, etc).
	2.2.2 Market the new organization and recruit members	*Included in FTEs above*	$645 in digital and traditional advertising/marketing costs	Enough members recruited from the primary target market to cover the ED's salary
	2.2.3 Once the membership is established, implement a bi-yearly or annual member survey to track membership health and growth	*Included in FTEs above or could be outsourced to a consultant*	*TBD if outsourced*	Growing number of active companies in the membership database % companies advancing in maturity stages per year Project pipeline growth and total capital raised Employment numbers (e.g., # of employees per member company) and revenue estimates per company
	2.2.4 Research and apply for funding to subsidize events and programming	*Included in FTEs above*	-	At least $16,000 confirmed to support programming and events each year

	2.2.5 Develop workshops/training program	*Included in FTEs above*	$2,400 event space rentals $5,000 speaker, instructor fees $1000 insurance $3000 events cost (no labour) $4000 programming costs (no labour)	XX sessions completed each year with XX attendees
	2.2.6 Create a mentorship matching program developed to pair more experienced creative industry professionals with emerging practitioners or early-stage firms	*Included in FTEs above*		At least XX mentors confirmed and paired with emerging practitioners/firms
2.3 Promote and advocate for the creative industries in Southwest Alberta, establishing a recognized industry access point for local and external stakeholders	2.3.1 Develop a simple website for the new organization with membership and newsletter sign-up capability	Coordination by FTEs listed above, plus website developer	$5,000 – 10,000 professional fees $1,000 subscription fees	Website live
	2.3.2 Promote the new organization via industry PR, social media, and paid marketing channels	*Included in FTEs above*	$645 for digital and traditional advertising (in addition to the same amount for action 2.2.1)	XX hits to the website and XX new members within three months of the first campaign

	2.3.3 Develop a “why invest here” webpage	*Included in FTEs above*	$1,000 online presence maintenance	XX hits to the webpage and XX email inquiries within the first six months of launch
	2.3.4 Develop a relationship with industry journalists, looking for opportunities to comment on relevant press/share relevant press releases	*Included in FTEs above*	-	Relationships built with at least XX relevant journalists/editors; XX requests for press comment per year and at least XX press releases sent per year
2.4 Build the administrative capacity needed for potential future expansion while maintaining low capital risk	2.4.1 Secure funding for and commission a detailed feasibility study including an assessment of members’ physical space and equipment needs, functional program development, site exploration, and a detailed operating model	*Included in FTEs above*	$50K–$90K (to be covered by a grant)	Feasibility study complete with clear next steps indicated to secure funding for Phase 3

Triggers to move to next Phase: Demonstration of…

- **Organizational stability:** Stable membership, finances, and governance participation over 18-36 months.
- **Demand:** Programs/events often at or near capacity; difficulty securing appropriate venues to meet the demand; clear identification of unmet needs that cannot be addressed through existing or virtual resources alone, such as reported industry demand for space and equipment (e.g., roughly one third of members interested in equipment rental) and/or a sizable number of members indicating interest in shared workspace.
- **Membership health/growth:** Growing number of active companies in the membership database (e.g., year-on-year growth of registered and revenue-generating companies, tracking the % still active after 1, 3, 5 years etc.); % companies in the membership advancing in maturity stages per year (e.g., from

pilot to revenue-generating, scaling company to mature) and average time to meet the next maturity stage; project pipeline growth (e.g., the # and % growth in active projects, defined as funded initiatives and/or projects in development); # of new projects launched per year; # of funded companies/projects and total capital raised (by maturity stage); # of meaningful connections made by organization members/attendees and # of collaborations or hires within X months of joining the organization or attending training/events).

- **Industry growth and economic impact:** Employment numbers (e.g., # of employees per member company) and revenue estimates per company.
- **Financial viability:** ~$60,000 in actual membership and programming revenue; ~$67,000 in projected space-related rental revenue and ~$20,000 projected equipment rental revenue (based on reported demand and willingness to pay from members measured via member surveys – targets based on Phase 3 sample operating plan); an appropriate physical space (whether permanent or temporary) becomes available – and public funds are made available to move ahead with acquiring and provisioning that space.

PHASE 3: BASIC PHYSICAL SPACE AND EQUIPMENT

Objectives	Example actions	Human resource implications (incremental FTE)	Estimate costs (non-staff)	KPIs
3.1 Found a physical Creative Industries Hub	3.1.1 Secure funding for a basic physical Creative Industries Hub following completion of the detailed feasibility study (action 2.4.1)	1 (full-time ED first costed in Phase 2)	-	Funding secured to cover the first year of operations
	3.1.2 Identify and secure a viable space requiring minimal renovations (ideally, the org would be supported by a real estate rental agent, an architect/space planner	*Included in FTE above*	At least $10,000 of professional fees (Landlord likely to pay real estate agent commission) $53,000 p/y rent	Suitable space found and kitted out in line with functional program confirmed in the feasibility study (action 2.4.1)

	and legal review of all contracts is advisable)		$8,000 for facility fit-out costs $8,000 for furniture $5,950 maintenance $15000 insurance $20,270 internet and other utilities $1,250 office supplies $3,000 for office tech purchases $8,000 subscriptions (including website)	
	3.1.3 Update the operating model with precise costs for the confirmed space	*Included in FTE above*	-	Confirmed operating model with validated figures Organizational sustainability: Stable membership and finances (including earned revenue of ~$142,000 and grants to cover ~$250,000 of operating expenses per year in line with Phase 3's sample operating plan) over 18-36 months.
	3.1.4 Recruit staff to manage the new space (Program Manager, Equipment Manager, full-	3 FTEs (in addition to full time ED)	-	Each staff member successfully in their role for one year

	time administrator/bookkeeper)			
	3.1.8 Buy the equipment required for rentals and set up process for members to hire/return it (i.e., three low- to mid-tier camera, lighting, and sound kits)	*Included in FTEs above*	$8,000 for equipment $2,000 for equipment repairs $12,000 for tech/software purchase	XX equipment rentals and utilization rate Member feedback on the rental program (ease, cost, IP creation that it has enabled)
	3.1.9 Develop website to include space and desks booking and equipment rental capability		$20,000 for website redevelopment	Expanded/new website able to handle space and equipment rentals effectively
3.2 Promote the basic Creative Industries Hub space	3.2.1 Market the space to members and wider contact list ahead of space launch	*Included in FTEs above*	$500 for digital and traditional advertising	XX sign-ups for hot desk rentals XX new members
	3.2.2 Host launch event, inviting local press as well as members and other industry contacts	*Included in FTEs above*	$2,000 for event costs (no labour)	XX attendees including XX members of the press XX new hot desk sign ups XX pieces of positive press coverage
	3.2.3 Market the space ongoing – hot desks, event spaces and equipment rental (e.g., develop marketing plan including campaigns targeting different types of space users)	*Included in FTEs above*	$3,000 for digital and traditional advertising $2,000 for marketing platform/CRM subscription fees	Demonstrated demand for space rentals (minimum ~$67,000 p/y), equipment rentals (~$17,000 p/y) XX meeting room rentals and utilization rate of XX

			$2,000 for online presence maintenance	XX hot desk rentals and utilization rate of XX
3.3 Continue to strengthen the developmen t of the creative industries in Southwest Alberta	3.3.1 Collect, analyze, and share industry intelligence to support business development	*Included in FTEs above*	*Could be covered by grants and outsourced to consultants*	XX number of deals brokered per year where intelligence from the Hub was deemed influential Industry growth and economic impact: Employment numbers (e.g., # of employees per member company) and revenue estimates per company; X% increase in production and production volume for film and television that stays in Southwest Alberta and employs local people.
	3.3.2 Enhance programming and events to reinforce the organization as the industry access point and a gateway for the region's creative industries	*Included in FTEs above*	$20,000 programming costs (no labour) $8000 for speaker/instructo r fees $5,000 event costs (no labour)	Demonstrated demand for membership/programmin g (e.g., revenue of ~$60,000 p/y XX new business relationships, XX business deals and XX jobs confirmed/created by participating individuals/organizations within 6 months of program attendance XX companies assessed by the membership organization as being investment ready each year

				XX new SMEs created/supported as they get off the ground each year XX programs in partnership with post secondary organizations and XX students/graduates placed in relevant roles
	3.3.3 Grow the size and influence of the organization and its membership through PR and recruitment via industry partners	*Included in FTEs above*	-	Number of positive articles/comments in the press about the creative industries in Southwest Alberta XX new members each year including XX BIPOC members XX members each year that are former students of Southwest Alberta polytechnics
3.4 Assess the demand and financial feasibility of developing a purpose-built physical Creative Industries Hub	3.4.1 Conduct a feasibility study including a needs assessment analyzing the extent of the demand for a purpose-built Creative Industries Hub, with a detailed functional program and operating model and plan detailing and how it could be financed and sustained over time	-	$50K–$90K (to be covered by a grant)	Feasibility study complete that clearly articulates next steps and funding required Clear identification of industry unmet needs for specialist spaces and equipment (e.g., roughly one third of members interested in identified specialist spaces/equipment assets).

Triggers to move to Phase 4: Demonstration of…

- **Organizational sustainability:** Stable membership and finances (including earned revenue of ~$142,000 and grants to cover ~$250,000 of operating expenses per year in line with Phase 3's sample operating plan) over 18-36 months.
- **Demand:** Demonstrated demand for space rentals (minimum ~$67,000 p/y), equipment rentals (~$17,000 p/y) and membership/programming (revenue of ~$60,000 p/y in line with Phase 3's sample business plan below); clear identification of industry unmet needs for specialist spaces and equipment (e.g., roughly one third of members interested in identified specialist spaces/equipment assets).
- **Membership health and growth:** Continued growth in the # of active companies in the membership database (e.g., year-on-year growth of registered and revenue-generating companies, tracking the % still active after 1, 3, 5 years); % companies in the membership advancing in maturity stages per year (e.g., from pilot to revenue-generating, scaling company to mature) and average time to meet the next maturity stage; project pipeline growth (e.g., the # and % growth in active projects, defined as funded initiatives and/or projects in development); # of new projects launched per year; # of funded companies/projects and total capital raised (by maturity stage); # of meaningful connections made by organization members/attendees and # of collaborations or hires within X months of joining the organization or attending training/events).
- **Industry growth and economic impact:** Employment numbers (e.g., # of employees per member company) and revenue estimates per company; X% increase in production and production volume for film and television that stays in Southwest Alberta and employs local people.
- **Financial viability:** Identified funding channels to cover substantial Phase 4 site acquisition and capital costs (see high-level estimates in Appendix C).
- **Suitable site(s) available** for a purpose-built Creative Industries Hub.

PHASE 4: SPECIALIZED, PURPOSE-BUILT SPACE

Objectives	Example actions	Human resource implications (incremental FTE)	Estimate costs (non-staff)	KPIs
4.1 Develop and launch a purpose-built physical	4.1.1 Validate demand by surveying members and gaining	*Included in FTEs above*	-	Validated estimate of regular hot desk users and

Creative Industries Hub	commitments from anchor tenants			confirmed anchor tenants
	4.1.2 Develop fundraising strategy and secure funding for a specialized, purpose-built physical Creative Industries Hub following completion of the detailed feasibility study for a purpose-built Hub (action 3.4.1)	*Included in FTEs above*	\$25,000 – \$50,000 (to be covered by a grant)	% of target funding secured from a range of funders (three levels of government, foundations, private donors, etc.) Adequate funding secured by grants to cover capital expenses, and at least \$130,000 of annual operating expenses plus debt repayment per year (in line with the sample Phase 4 operating plan)
	4.1.3 Identify and acquire a suitable site working with a real estate broker and lawyer	*Included in FTEs above*	\$300,000 for lot purchase \$2,000 for a real estate lawyer (Real estate agent commission likely covered by seller)	Suitable site purchased within budget
	4.1.4 Enlist architect and engineers to design the facility (including technical/acoustic design)	*Included in FTEs above*	Tbc; likely to be ~15% of the total construction cost	Facility design/specification ready for construction

	4.1.5 Apply for relevant approvals and permits	*Included in FTEs above*	*Included in construction cost below*	Permits and approvals confirmed within XX months
	4.1.6 Identify and appoint a contractor to build and fit out the facility	*Included in FTEs above*	Approx $3.5M	Economic impact (direct, indirect and induced) of the facility's construction
	4.1.7 Hire a Program + Rental Coordinator	1 additional FTE	-	Staff member still in role after one year; high satisfaction with programs reported by members
	4.1.8 Host launch event and campaign	*Included in FTEs above*	$4,000 event cost (no labour)	XX attendees from primary target markets XX journalists/editors in attendance and the number of positive mentions in the media that month XX space/hot desk rentals and memberships confirmed within 12 weeks of launch event
4.2 Enhance the equipment rental program	4.2.1 Survey members to understand more detailed equipment needs and willingness/ability to pay and acquire key	*Included in FTEs above*	$8,000 for equipment purchase	XX of equipment rentals and utilization rate New IP created by members using the

	pieces of equipment/software		$12,000 for tech/software purchase $4,000 equipment repairs	equipment (members to report)
	4.2.2 Promote the equipment rental program to help attract new users and organization members	*Included in FTEs above*	$500 for digital advertising	Number of new members who cite equipment rental as key reason for membership At least $70,000 in equipment rental revenue p/y
4.3 Enhance and refine programming, including equipment-related skills training.	4.3.1 Regularly survey members to learn about their needs, including programming and training needs.	*Included in FTEs above*	-	Sustained demand for membership, programming, and equipment rental (e.g., at least ~$70,000 in membership and programming revenue and ~$70,000 in equipment rental revenue p/y)
	4.3.2 Develop courses to train members in how to use specialist equipment/spaces.	*Included in FTEs above*	Precise costs tbc; drawn from estimated $32,000 total programming budget p/y	X registrations and revenue from those courses % of participants reporting high confidence using specialist equipment/spaces following training

4.4 Promote and celebrate the regional creative industries to raise its profile provincially and nationally and attract new business opportunities	4.4.1 Create public exhibitions (screenings, video games and XR experiences)	*Included in FTEs above*	$10,000 event costs (no labour)	XX exhibitors XX attendees Number of positive mentions/stories in the press XX of new business relationships and deals for exhibitors within 3 months of exhibition XX exhibitions that relate to Indigenous cultural revitalization
	4.4.2 Develop PR campaign to raise the profile of the creative industries in Southwest Alberta	*Included in FTEs above or enlist PR consultant*	$4,000 for digital and traditional advertising $12,000 for PR campaign	Number of positive mentions/stories about Southwest Alberta's creative industries in the press XX number of inbound inquiries from investors XX new productions and studios attracted to Southwest Alberta
	4.4.3 Continue to strengthen the collection, analysis and sharing of industry intelligence to support local business development	*Included in FTEs above or outsourced to consultants*	Tbc dependent on scope; to be covered by grants	XX number of new business relationships and new business deals brokered per year where intelligence from the Hub was deemed influential of which XX for

				BIPOC-identifying industry members
	4.4.4 Track and analyze members' development and that of the broader creative industries in Southwest Alberta	*Included in FTEs above or outsourced to consultants*	Tbc dependent on scope; to be covered by grants	Number of new connections for members within 6 months of membership Number of business deals due to introductions via the Hub Economic impact of the Hub's members (direct, indirect, and induced) on Southwest Alberta

Indicators of success:

- **Stable membership and finances:** E.g., earned revenue of ~$335,000 and grants to cover at least $130,000 of operating expenses plus any debt repayment per year in line with Phase 4's sample operating plan.
- **Demand:** Sustained demand for programming, services, and space rentals (e.g., at least ~$190,000 in space-related revenue, ~$70,000 in equipment rental revenue, ~$70,000 in membership and programming revenue year on year).
- **Membership health and growth:** Continuing to track and demonstrate growth in the # of active companies year-on-year, % still active after 1, 3, 5 years); % companies in the membership advancing in maturity stages per year and average time to meet the next maturity stage; project pipeline growth, # of new projects launched per year; # of funded companies/projects and total capital raised (by maturity stage); # of meaningful connections made by organization members/attendees and # of collaborations or hires within X months of joining the organization or attending training/events).
- **Industry growth and economic impact:** Employment numbers (e.g., # of employees per member company) and revenue estimates per company; X% increase in production and production volume for film and television that stays in Southwest Alberta and employs local people.

Appendix A: Project Partners

Table 20: Project Partners

Partner organization	Contact person	Position
Alberta Media Production Industries Association (AMPIA)	Dylan Pearce	Board Member
Alberta Post Production Association	Mark Wood	Chair, Board Member
Alberta Southwest Regional Alliance (ASWRA)	Bev Thornton	Executive Director
BIPOC Foundation	Sinmi Adeoye Esene	Director, Equitable Solutions and Partnerships
Blood Tribe Economic Development (BTED)	Norma Wolfchild	Small Business Development Officer
Career Transitions	Judy Stolk-Ingram	Executive Director
IndigiTech Destiny	Art Proctor	CEO
Lethbridge Game Developer Guild	Allyson Cikor	President
Lethbridge Polytechnic	Andrew Dunlop	Associate Vice President-Research
Mikan House	Donna Sato	President
Output Media	Bryn Hewko	Executive Director/Owner
Regional Innovation Network of Southern Alberta (RINSA)	Charlee Sereda	RINSA Manager

Simulacrum Interactive	Allyson Cikor	Owner/Director
SouthGrow Regional Initiative	Peter Casurella Kim Welby	Executive Director Economic Development Officer
University of Lethbridge – Faculty of Fine Arts	Heather Davis-Fisch	Dean, Faculty of Fine Arts U of L and Graduate Studies and Postdoctoral Affairs, U of L
University of Lethbridge – School of Graduate Studies & Postdoctoral Affairs	Bryn Hewko	Assistant Professor, Department of New Media, U of L

Appendix B: Annual Cost Model Assumptions

The following Appendix provides the detailed assumptions used to develop the high-level operating model presented previously in this report.

Revenue:

The annual revenue figures reflect earned revenue only and do not account for external (non-earned) revenue sources, such as government funding, grants, or sponsorships, which could offset some annual deficits. The revenue figures presented here are purely estimates, as no existing physical space has been identified for a future Creative Industries Hub, nor are there any architectural plans or renderings that would help guide rental revenue estimations.

Space-related Rental Revenue

To calculate the estimated earned revenue for Space-related Rental and Equipment Rental Revenue, it is assumed that the physical Hubs in Phases 3 and 4 are open to the public 249 days a year (number of working days in a year, excluding weekends and holidays). It also assumes that these facilities will be open 8 hours per day, totalling approximately 1,992 hours of rental availability per year. For each space or item available for rent, an assumed occupancy rate has been applied, as it is expected that the Creative Industries Hub will not be in use or rented for all 1,992 hours of availability. In most cases, an occupancy rate of 30% has been applied. There is no Space-related or Equipment Rental revenue assumed for Phases 1 and 2.

A cost per hour has been estimated per space and set of items, based on comparable hubs and facilities, and best approximations. Cost per item may vary based on the assumed square feet of the space. For office/hot desk rentals, the cost per hour is based on an assumed monthly membership fee.

The tables on the following pages summarize the assumptions used to calculate annual revenue for each phase.

Table 21: Space-related Rental Revenue

Rental Space	Cost/Hour	Assumed Occupancy Rate	Rental Hours/Year	Phase 1	Phase 2	Phase 3	Phase 4
Meeting room rental 1	15	30%	597.6	$0	$0	$8,964	$8,964
Meeting room rental 2	25	30%	597.6	$0	$0	$14,940	$14,940
Meeting room rental 3	40	30%	597.6	$0	$0	$0	$23,904
Meeting room rental 4	55	30%	597.6	$0	$0	$0	$32,868
Office/hot desk rental 1	3	30%	597.6	$0	$0	$1,793	$1,793
Office/hot desk rental 2	3	30%	597.6	$0	$0	$1,793	$1,793
Office/hot desk rental 3	3	30%	597.6	$0	$0	$1,793	$1,793
Office/hot desk rental 4	3	30%	597.6	$0	$0	$0	$1,793
Office/hot desk rental 5	3	30%	597.6	$0	$0	$0	$1,793
Office/hot desk rental 6	3	30%	597.6	$0	$0	$0	$1,793
Screening room rental 1	75	25%	498	$0	$0	$37,350	$37,350
Studio 1	65	25%	498	$0	$0	$0	$32,370

Audio pod 1	30	25%	498	$0	$0	$0	$14,940
Audio pod 2	30	25%	498	$0	$0	$0	$14,940

Regarding equipment rental revenue, it is assumed that the basic equipment package, consisting of three low- to mid-tier cameras, lighting, and sound kits, totals $275 per day, or approximately $34.38 per hour (based on an 8-hour day). The enhanced package, which adds higher-end equipment and an additional $36.25 per hour to the basic package's hourly rate.

Table 22: Equipment Rental Revenue

Equipment Rental	Cost/Hour	Assumed Occupancy Rate	Rental Hours/Year	Phase 1	Phase 2	Phase 3	Phase 4
Equipment Rental Basic	$34.38	25%	498	$0	$0	$17,121	$0
Equipment Rental Extended	$70.63	50%	996	$0	$0	$0	$70,347

Membership and programming revenue were estimated by applying the projected user base to determine an assumed membership and multiplying it by estimated program fees, informed by comparable hubs and similar service offerings. This model also assumes that membership and programming fees will be tiered. For memberships, three tiers are assumed: Basic, Student, and Enhanced. For programming fees, it is assumed that there will be a General and Student fee tiers. There are no membership or programming fees assumed in Phase 1.

The number of members/attendees varies across Phases 2 to 4, as it is assumed that the industry will grow as the phases progress.

Table 23: Membership and Programming Revenue

	Cost Per	# of Members/Attendees	# Events annually	Phase 1	Phase 2	Phase 3	Phase 4
Basic Annual Membership Fees	$60	Phase 2: 15 Phase 3: 20 Phase 4: 30	-	$0	$900	$1,200	$1,800
Student Annual Membership Fees	$30	Phase 2: 19 Phase 3: 30 Phase 4: 38	-	$0	$577	$902	$1,154
Enhanced Annual Membership Fees	$180	Phase 2: 10 Phase 3: 18 Phase 4: 20	-	$0	$1,800	$3,240	$3,600
General Program/Workshop Fees	$85	Phase 2: 25 Phase 3: 38 Phase 4: 50	12	$0	$25,500	$38,250	$51,000
Student Program/Workshop Fees	$40	Phase 2: 19 Phase 3: 30 Phase 4: 38	12	$0	$9,230	$14,438	$14,438

Expenses:

Annual operating expenses do not account for any debt that may be associated with the capital and start-up investments, nor do they include any projected interest or taxes. In Phase 3, space-related costs are attributed to rent. In Phase 4, the costs are associated with a mortgage and estimated property taxes, as it is assumed that in Phase 4 the Hub will be a newly constructed space.

Table 24: Space-related Expenses

Expenses	Phase 1	Phase 2	Phase 3	Phase 4	Assumptions
Rent or Mortgage	$0	$0	$53,000	$20,000	Phase 3 estimate based on 2026 rental cost for similar sized building in Lethbridge, Alberta, multiplied by 12; Phase 4 was calculated by entering the lot purchase cost (Table 26) into a provincial mortgage calculator.
Property Taxes	$0	$0	$0	$7,582	Estimate based on property taxes on a similarly sized lot in Lethbridge, Alberta.

Salaries are assumed to be the largest expense line for the Hub, as is the case in comparable facilities. The table below outlines the assumptions used to estimate the facility's total annual staffing expenses for each Phase.

Table 25: Salary Expenses

Expenses	Phase 1	Phase 2	Phase 3	Phase 4	Notes
Executive Director	$17,500	$70,000	$90,000	$90,000	Estimated comparable salary for this role at similar organizations. In Phase 1, it is assumed that this work will be absorbed by an employee at an existing organization (e.g. EDL), accounting for roughly 20% of their time.

					In Phase 2, a full-time Executive Director is anticipated, with compensation increasing in Phases 3 and 4 to reflect expanded responsibilities and growth.
Program Manager	$0	$0	$50,000	$50,000	Estimated comparable salary for this role at similar organizations.
Equipment Manager	$0	$0	$50,000	$50,000	Estimated comparable salary for this role at similar organizations.
Administrator/Bookkeeper	$0	$11,500	$46,000	$46,000	Estimated comparable salary for this role at similar organizations.
Program + Rental Coordinator	$0	$0	$0	$45,000	Estimated comparable salary for this role at similar organizations.

The table below details the assumptions used to calculate various expenses associated with facility management and administration.

Table 26: Administrative and Facility Expenses

Expenses	Phase 1	Phase 2	Phase 3	Phase 4	Assumptions
Online Presence Maintenance	$500	$1,000	$2,000	$2,000	Conservative estimate, based on Nordicity's experience.
Maintenance and Janitorial	$0	$0	$5,950	$10,518	Assuming $1.75 per sq foot (consistent with prior Nordicity projects).

Insurance	$450	$1,000	$15,000	$20,000	Conservative estimate, based on Nordicity's experience and comparable facilities.
Utilities	$0	$0	$5,270	$9,316	Assuming $1.55 per square foot (excluding parking, per ISC guide.
Internet	$0	$0	$15,000	$20,000	Conservative estimate based on Internet expenses for comparable facilities.
Office Supplies	$0	$0	$1,250	$2,000	Conservative estimate, based on Nordicity's experience and comparable facilities.
Professional Fees	$1,500	$5,000	$10,000	$15,000	Conservative estimate, based on Nordicity's experience and comparable facilities.
Advertising and promotion (digital and traditional)	$580	$1,290	$3,500	$4,500	Conservative estimate, based on Nordicity's experience and comparable facilities.

Programming Expenses

The table below details the assumptions used to calculate various expenses associated with programming. Program facilitators are assumed to be paid contract/freelance workers, and guest speakers are assumed to receive an honorarium. Several facility expenses are calculated based on a rate per square foot. Other costs are based on comparable facilities and assumptions. These costs are only relevant for Phases 3 and 4.

Table 27: Programming Expenses

Expenses	Phase 1	Phase 2	Phase 3	Phase 4	Assumptions
Event Space Rentals (1 and 2)	$1,200	$2,400	$0	$0	Conservative estimate, based on Nordicity's experience and comparable facilities.
Event Costs (no labour)	$2,000	$3,000	$7,000	$10,000	Conservative estimate, based on Nordicity's experience and comparable facilities.
Programming Costs (no labour)	$2,000	$4,000	$20,000	$32,000	Roughly half of the total programming revenue
Speaker, Instructor Fees	$1,500	$5,000	$8,000	$10,000	Conservative estimate, based on Nordicity's experience and comparable facilities.
Equipment Repairs	$0	$0	$2,000	$4,000	Conservative estimate, based on Nordicity's experience
Subscription Fees (office and equipment software, e-mail and social media coms. platforms, etc.)	$200	$1,000	$10,000	$15,000	Conservative estimate, based on Nordicity's experience

Appendix C: Capital/Start-up Costs

The following table outlines the estimates used for constructing a facility and other associated capital and start-up costs.

Table 28: Capital and Start-up Costs

Cost	Phase 1	Phase 2	Phase 3	Phase 4	Assumptions
Construction Costs or Facility Set-up	$0	$0	$8,000	$3,443,200	Phase 3, based on a conservative estimate; Phase 4
Lot Purchase	$0	$0	$0	$300,000	Based on the 2026 listed value of a similar lot size in Lethbridge, Alberta.
Incorporation Fees	$0	$200	$200	$200	Conservative estimate, based on Nordicity's experience
Website/Online Presence Development	$150	$5,000	$20,000	$5,000	Conservative estimate, based on Nordicity's experience
Equipment	$0	$0	$8,000	$8,000	Conservative estimate, based on Nordicity's experience

Furniture	$0	$0	$8,000	$6,000	Conservative estimate, based on Nordicity's experience
Tech/Computer (office and rentals)	$0	$2,000	$15,000	$15,000	Conservative estimate, based on Nordicity's experience
Total	**$150**	**$7,200**	**$59,200**	**$3,777,400**	

Construction Cost

Cost estimates for building a new Creative Industries Hub for Phase 4 were developed using the 2025 Canadian Cost Guide by Altus Group, which provides readers with standard per square foot cost ranges for a variety of different construction project types across nine jurisdictions. For this project, the midpoint between the Altus Group's low and high for Edmonton and Calgary was calculated and used as the standard rate. These midpoint rates were calculated for the Altus Group categories "Multi-use Recreational Centre," "Performing Arts Building and "Surface Parking," and were then applied to the estimated facility square footage outlined in Table 29 below.

It is important to note that construction and renovation costs have been highly variable in recent years. High demand, altered supply chains, increasing materials prices, and labour shortages have collectively contributed to increased unpredictability in the construction industry. In addition, Altus Group cautions that long periods of time between planning and construction can lead to cost escalation. Therefore, the cost estimates developed for this report are liable to change based on forces outside of our control. These estimates are not exact quotes, but rather tools to help the EDL and other stakeholders better understand the magnitude of the financial investment that a new facility might require.

In addition, the cost estimates provided below are for above-ground construction only, and any below-grade construction would incur additional costs. These estimates also do not include costs associated with fixtures or soft costs, including design, architecture, and engineering fees, surveying, permits, taxes, insurance, and more.

The table below details the Altus Group categories used for this project, the Altus Group rates provided for each category, and the midpoint calculation used for the actual build estimates.

Table 29: Altus Group Category Alberta Cost Per Square Foot

Altus Group Category	Alberta $/Sqft, Midpoint
Multi-Use Recreational Centre	$588
Performing Arts Building	$900
Parking	$19

Using the estimated square footage, along with Nordicity's experience, desk research, and Altus midpoint cost-per-square-foot benchmarks, a preliminary construction cost estimate has been developed. It is assumed that the small film/video studio and audio pods will align with the "Performing Arts Building" cost category, reflecting the specialized audio-visual equipment and acoustic requirements of these spaces.

Table 30: Phase 4 Construction Cost Estimate

Space Name	Estimated Sq. ft.	Altus Group $/Sq. ft.	Estimated Construction Cost
Presentation/Screening Place	1,000	$588	$588,000
Meeting Rooms	950	$588	$558,600
Hot Desks Space/Programming Rooms	1,600	$588	$940,800
Small film/video studio	400	$900	$360,000
Audio pod	160	$900	$144,000
Admin Space	400	$588	$235,200
Storage	400	$588	$235,200
Parking	4,000	$19	$76,000
Loading Area	600	$19	$11,400
Lounge/Kitchenette	500	$588	$294,000
Total	**10,010**		**$3,443,200**

Appendix D: Economic Impact Terms

About the MyEIA Model™

Nordicity's MyEIA Model™ is a customized economic impact analysis tool that utilizes the input-output tables published by Statistics Canada, along with other economic data (e.g. median wages by industry) to estimate how increased expenditures in any industry translate into additional employment, labour income, and GDP. The MyEIA Model™ also provides estimates of the additional federal, provincial and local tax revenue generated by any additional economic activity.

The customized nature of the MyEIA Model™ means that it can provide reliable estimates for any industry, even if that industry is not among the industries that comprise Statistics Canada's input-output tables. With detailed data on expenditures within an industry or any type of economic shock, the MyEIA Model™ can generate estimates of direct, indirect and induced impacts.

The MyEIA Model™ Uses an inverse Leontief matrix based on Statistics Canada's input-output tables to derive estimates of the indirect impact generated by purchases of goods and services. The model Uses Type II impact ratios published by Statistics Canada to derive induced impacts.

The MyEIA Model™ generates estimates of provincial/territorial and Canada-wide impacts.

Economic Impact Assessment Metrics:

- Gross domestic product (GDP) is a key economic indicator that represents the total monetary value of all goods and services produced within a country. The activities of industries and organizations to produce goods and services contribute to a jurisdiction's GDP.
- Employment impact is expressed in terms of full-time equivalent jobs (FTEs), where an FTE is defined as a person who works a 40-hour work week, approximately 52 weeks per year. Importantly, employment impact is not a measure of the number of people employed (e.g., several part time positions can add up to a single FTE).
- Labour income is defined as the total earnings paid to workers as a result of an activity, project, or industry.

Fiscal impacts are expressed as tax revenues at the federal and provincial levels, and include personal income tax, corporate income tax, consumption tax, and property tax. Total tax revenue impacts are the sum of the above.

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