

# A Snapshot of Edmonton's Accommodation & Food Services

INDUSTRY CONSULTATION RECAP | JULY 2025

# OUR RECOMMENDATIONS



## 1. RESTORE SAFETY AND DOWNTOWN CONFIDENCE

- Implement a coordinated safety strategy across policing, social services, and business-led security.
- Ensure adequate EPS resourcing to reduce incidents that deter visitors, diners, and conference organizers.
- Activate Commonwealth Stadium year-round by designating a dedicated sales and booking coordinator to attract major events.



## 2. BRING BACK WEEKDAY DEMAND

- Encourage a stronger return to office for all orders of government and major employers downtown (target 4-5 days per week).
- Strengthen destination marketing and conference attraction; align resources to compete with peer cities.



## 3. COMPETE ON FAIR RULES AND SPEED

- Cut permitting timelines toward a much shorter service standard.
- Coordinate construction schedules with businesses and offer tax relief during disruptive projects.
- Regulate large-scale short-term rentals using a BC-style model to level the playing field for hotels.
- Expand investment incentives (e.g., CIP-style tools) and streamline inspections with clear cross-department accountability.

# SUMMARY

Edmonton's accommodation and food services sector is under acute strain. Citywide hotel occupancy is near 50 percent, well below the 60-70 percent range generally required for viable operations, leaving Edmonton among the slowest recovery markets in the country. Downtown restaurants report shuttered lunch service, rising security costs, and persistent safety concerns that suppress evening activity. The cumulative effect is a revenue spiral that undermines reinvestment and shifts fiscal pressure across the city's tax base.

Calgary is outcompeting Edmonton on conferences, destination marketing, and premium hotel supply, widening a competitive gap.

**Industry leaders emphasized three root issues: safety, reduced weekday demand due to hybrid work, and regulatory friction—from slow permits to uneven rules for short-term rentals and disruptive construction. Immediate, coordinated action is needed to stabilize the core and restore investor confidence.**



# DISCUSSION HIGHLIGHTS



## Reducing Safety Risk and Restoring Market Confidence

Members reported a significant security burden, with some incurring more than \$50,000 in additional annual costs alongside continued incidents that affect staff and guest safety. The risk profile is deterring investment, with several operators ruling out downtown expansion. Participants called for a coordinated, multi-level safety strategy that pairs EPS resourcing with social supports and formal business-government security partnerships.

# DISCUSSION HIGHLIGHTS

## Weekday Economy and the Return-to-Office Gap

Downtown lunch trade has collapsed, and many operators have eliminated weekday lunch service entirely. “Thursday is the new Friday” captures the shift to compressed evening demand rather than steady mid-week traffic. A stronger return to office from all orders of government and major private-sector employers is seen as the fastest lever to stabilize weekday demand for restaurants and hotels.

## Regulatory Friction and Competitive Pressure

Permitting timelines of three to six months, compared with roughly a week in some nearby municipalities, are delaying projects and weakening Edmonton’s competitiveness. Commercialized short-term rentals are competing with hotels without equivalent tax and insurance obligations, eroding the playing field. Businesses are seeking mandatory consultation and tax relief during city construction, along with clear cross-department accountability for inspections and property maintenance.



# DISCUSSION HIGHLIGHTS

## Market Snapshot and Area Performance

Citywide hotel occupancy is hovering near 50 percent, below the 60 to 70 percent typically required for healthy operations. Downtown occupancy shows minimal year-over-year improvement, moving only from about 54.9 to 55.4 percent, while the south climbs from roughly 58 to 61 percent and the west leads at about 62 to 64 percent. Playoff impacts temporarily lifted results in May 2024 and 2025; without those surges, the performance gap with Calgary would be wider.

## Emerging Opportunities

With proactive sales and coordination, Commonwealth Stadium can anchor a stronger, year-round events pipeline that benefits hotels and restaurants across the city. River Cree's announced expansion signals that investor appetite exists when fundamentals are sound. Aligning destination marketing with peer cities and improving conference and expo connectivity will help Edmonton compete for national events.



# WHAT BUSINESSES NEED

## Financial and Investment Supports

Operators identified the need for tax incentives to de-risk reinvestment in downtown locations, construction-period tax relief to offset lost revenue, and access to interest-free loans to support expansion and renovation.

## Operational Support and Red-Tape Reduction

With proactive sales and coordination, Commonwealth Stadium can anchor a stronger, year-round events pipeline that benefits hotels and restaurants across the city. River Cree's announced expansion signals that investor appetite exists when fundamentals are sound. Aligning destination marketing with peer cities and improving conference and expo connectivity will help Edmonton compete for national events.

## Talent and Workforce

Targeted programs to attract experienced executives and skilled hospitality workers, immigration pathways aligned to sector needs, and recognition for employers that maintain a downtown presence would help stabilize operations and service levels

