



DOWNTOWN DEVELOPMENT STRATEGY

May 2025





AFFORDABILITY



INCENTIVES



HOUSING
DEMAND



INDUSTRY PROXIMITY



RIVER ACCESS
& TRAILS



PARKS &
PLAYGROUNDS



SCHOOLS &
DAYCARES



PHARMACY &
HEALTH



HERITAGE &
CULTURE



GROCERIES,
SHOPPING, SERVICES



RESTAURANTS
& BARS

PURPOSE

The Downtown Development Strategy was initiated to build upon the momentum created by the [Downtown Action Plan](#). The Strategy shifts from focusing on quick-wins to attracting private investment. The Strategy aims to address key challenges in downtown development by leveraging Downtown Fort Saskatchewan's unique advantages, such as lower-cost land, established incentive programs, and walkable urban amenities. Through engaging with developers, realtors, and landlords, the Strategy aims to identify barriers, refine incentive programs, and promote infill opportunities, with the goal of increasing the downtown's investment attractiveness.

| DOWNTOWN CONTEXT

Downtown Fort Saskatchewan is rich in history and serves as the city's commercial and cultural hub. Known for its charming "small-town feel," downtown provides a unique shopping and dining experience, hosting numerous independent shops and eateries.

Key locations like Legacy Park, the Fort Heritage Precinct, and Turner Park are central to community life, hosting more than 20 significant events and festivals that attract approximately 33,850 visitors annually.¹ These gatherings foster social connections and community spirit, with over 350 vendors participating each year.

Downtown has a current catchment area of approximately 4,400 residents. Traditionally, a catchment area of this size can support a retail inventory of 100,000 square feet – less than a third of the current inventory (300,963 square feet). This should translate into a very high commercial vacancy rate in the downtown, yet the vacancy rate is only 15.7%. While 15.7% is a high vacancy rate that exceeds the city's average (5.3%), it is not as high as the data suggests it could be. Downtown's success is in part attributed to the experience created by unique independent businesses and the welcoming atmosphere.

¹ Information provided by Culture and Recreation: Visitor and Vendor Statistics, 2024.



I DOWNTOWN IN CONTEXT

Figure 1-1: Downtown Study Area Location within the City and Regional Setting



| DOWNTOWN STUDY AREA

Figure 1-2: City Boundaries and Downtown Study Area



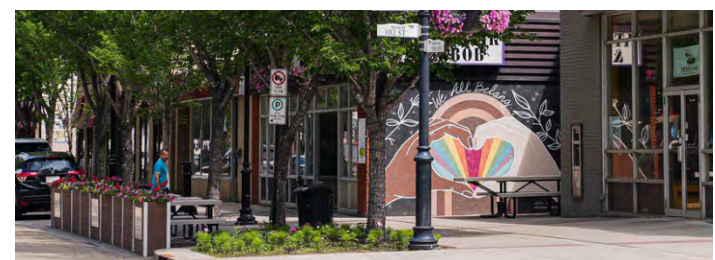
BACKGROUND

DOWNTOWN ACTION PLAN (2021)

In 2021, Council adopted the [Downtown Action Plan](#), a strategy to build upon the existing downtown assets and to increase vibrancy. The Downtown Action Plan was a short-term strategy (3 years), focused on initiatives that have more immediate impacts and are readily achievable.

The initiatives addressed some of the challenges and opportunities noted in the [2019 Downtown Retail Gap Analysis](#) and included beautification projects designed to enhance downtown's appeal and walkability. Extensive tree lighting was installed along the main street, creating a welcoming atmosphere for residents and visitors alike, especially in the winter months. Five new murals were added to the downtown since 2020, celebrating Fort Saskatchewan's community values. Public parklets were also added to the downtown to provide additional seating and dining spaces for the many restaurants that contribute to the downtown atmosphere. Additionally, two new development incentives, [the Downtown Development Grant](#) and [the Brownfield Incentive](#)² were developed to encourage new residential projects and investment.

² A full report of the results of the Downtown Action Plan can be found [here](#).



DOWNTOWN MARKET GAP ANALYSIS (2024)

To better understand the downtown context, a downtown specific commercial gap study was prepared in 2024. The results of the [Downtown Market Gap Analysis](#) were compared against the [2019 Downtown Profile & Analysis](#) to identify any trends, existing strength, weaknesses, and limitations.

KEY TRENDS & FINDINGS

			
2024	4,433	300,963sf	15.7%
2019	4,296	304,001sf	15.3%

- **Downtown's Role**

Remains the **community hub** with events, public spaces, and a services.

- **Demographics**

The downtown population **grew just 3%** to 4,433 since 2019, lagging behind the city's ~10% growth.

- **Retail Floor Space**

300,963 sq. ft., **unchanged** since 2019.

- **Vacancy Rate**

Increased slightly from 15.3% (2019) to **15.7%**, remaining higher than the citywide rate of 5.3%.

- **Retail Sustainability**

A **population of 15,000** is typically needed to sustain the current retail footprint.

BROADER DOWNTOWN ECONOMIC SNAPSHOT

- **Local Business Presence**

89% of businesses are local, occupying **68%** of floorspace, reinforcing downtown's independent business character.

- **Aging Population**

The **65+** senior population of **27.15%** is twice the citywide average, and also has a growing pre-retirement (ages 55-64) demographic of 13.97%.

- **Income Disparity**

Downtown's average household income is **\$94,017**, significantly lower than the city's \$138,744, with a higher share of households earning under **\$60,000**.

- **Retail Spending Trends**

- **2024 Total:** \$71.8M (excluding healthcare & auto), led by grocery/convenience spending at \$8,398 per household.
- **Projected Growth:** Expected to reach \$79.9M by 2029 and \$87.3M by 2034 with new residential development.



RECOMMENDATIONS

from the Market Gap Analysis

The Market Gap Analysis included community engagement that highlighted a strong desire for enhancing Downtown's appeal through more events and diverse shopping options and recreational activities. Recommendations to increase the investment attractiveness of the downtown include:

- **Continue Downtown Promotion:**

The City should continue to focus on positioning the Downtown as a prime location for new residential and commercial growth.

- **Intensify Promotion of Incentive Programs:**

The City should increase awareness of Business Development and Downtown Development Incentives through targeted outreach.

- **Potential Downtown Development Incentives:**

- **Building interior improvement grant:** Support interior building upgrades to improve the functionality, aesthetics, accessibility, and efficiency of older building stock.
- **Activation, events, and collaboration grants:** Activate underused public and/or private spaces in downtown areas by providing support for events and initiatives that draw visitors to the city center.
- **Development Fee Reduction:** Reduce or waive various development related fees for projects that contribute to downtown revitalization, including development, building, and safety codes permits.
- **Prioritize Housing Development:** Continue to prioritize the development of a diverse housing mix in Downtown to help sustain the retail sector by ensuring a robust local consumer base.
- **Develop Micro Retail Spaces:** Work with leaseholders or property owners to transform larger retail spaces into smaller, micro retail units or pop-ups to incubate local business concepts.

GAP SPECIFIC HOUSING NEED AND DEMAND ASSESSMENT(2023)

Heartland Housing Foundation

The Heartland Housing Foundation is a not-for-profit housing management body that provides affordable and near-market housing for residents of Strathcona County and Fort Saskatchewan. In 2023, the Foundation commissioned the Rural Development Network to conduct a [Gap Specific Housing Needs and Demand Assessment](#). The Assessment analyzed the housing inventory to better understand the current housing supply, demographic trends, and potential gaps relating to housing affordability, suitability, and adequacy.

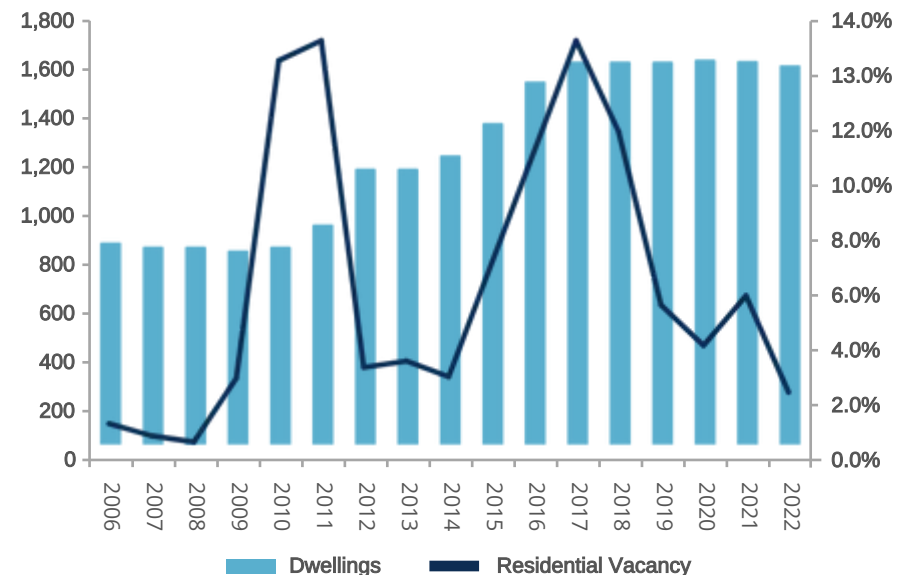
KEY FINDINGS

from the Analysis included:

As of October 2022, Fort Saskatchewan had a residential vacancy rate of **1.6%**, continuing a downward trend over the past few years.

Although the inventory of purpose-built rentals has **doubled in the past 20 years** (increased from 768 units to 1,545 units since 2006), sustained low-vacancy rates suggest a **need for more purpose -built rentals**.

Figure 1-1: Vacancy Rate, Fort Saskatchewan, 2004 – 2022.



Data source: CMHC Rental Survey Data

- **Housing Demand**

There is an unmet housing demand for **1-bedroom and 2 -bedroom** dwelling units, when the household type (demand) is compared to the housing inventory (supply).

Table 1-1: Demand of Units by Bedrooms Versus Supply:

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Demand	2,445	7,110	4,295	2,600
Supply	595	1,755	4,445	3,560
Difference	-1,850	- 5,355	150	960

- **Housing Affordability**

- 18% of households do not live in affordable homes in Fort Saskatchewan.
- 35% of renters are paying more than 30% of their income on shelter costs.
- 12% of renters are paying over 50% of their income on shelter costs.
- Seniors, persons with disabilities, and single women with children are disproportionately impacted by unaffordability.

- **Future Housing Pressures**

- Major industrial projects are expected to further increase housing shortages.



FORT SASKATCHEWAN REAL ESTATE MARKET OVERVIEW (2024)

As part of the Realtors Association of Edmonton's Annual Housing Forecast, local realtor Melissa Saretsky shared the Fort Saskatchewan Real Estate Market Overview. The Overview highlights fluctuations in the local real estate market and compares data from 2023 and 2024 across various property types.

The Overview shows notable growth in the Fort Saskatchewan real estate market.

Table 2-1: Demand of Units by Bedrooms Versus Supply:

	2024	2023	Difference	
			Total	%
Total Homes Sold	776	596	180	30%
Average Days on Market	42	49	-7	-17%
Total Sales Volume	348	235	113	48%

The average sale price for a townhouse increased more than all other housing types, with a year-over-year increase of 23.2%. The average sale price for semi-detached units increased 9.2%, while single-detached units sold for 7.6% more than the previous year. The average sale price for apartments aligned with inflation, with an average sales price increase of 2.5%.

The average days on the market was lowest for semi-detached dwellings (30 days), followed by townhouses (38 days), single-detached dwellings (44 days), and apartments (54 days).



Except for townhouses, in 2024 purchasing a house cost less in Fort Saskatchewan than Edmonton. The average sale price for semi-detached dwellings was nearly \$37,000 (10%) less than Edmonton. The average sale price for apartments was nearly \$30,000 (18%) less than Edmonton. The average sale price for singles detached dwellings was nearly \$26,000 (5%) less than Edmonton. The average sale price for townhouses was nearly \$23,300 (14%) more than Edmonton. The average year over year sale price increases within Fort Saskatchewan were comparable to Edmonton, except for townhouses which saw an increase of 23.0% in Fort Saskatchewan compared to 12.6% in Edmonton. This data supports the Heartland Housing Foundation Gap Analysis conclusion that there is an unmet housing demand for smaller dwelling units.

Table 2-2: Fort Saskatchewan Average Sale Prices compared to Edmonton Average Sale Prices:

Housing Type	Average Sales Price in Fort Saskatchewan		Difference between 2024 and 2023		Average Sales Price in Edmonton	Difference between Fort Saskatchewan and Edmonton	
	2024	2023	Total	%	2024	Total	%
Single Detached	510,162	474,145	36,017	7.6%	536,297	-26,135	-4.9%
Semi-Detached	371,025	339,781	31,244	9.2%	407,936	-36,911	-9.1%
Townhouse	313,983	254,901	59,082	23.2%	290,689	23,294	8.0%
Apartment	170,309	166,141	4,168	2.5%	200,267	-29,958	-15.0%

POPULATION PROJECTIONS

According to the 2024 Municipal Census, the City of Fort Saskatchewan has a population of 29,587, which includes 4,400 residents in the downtown area. As of year-end 2023, the downtown is projected to experience an annual growth rate of 1.41% over the next five years, according to the 2024 Downtown Market Gap Analysis. In contrast, the broader City's population is expected to grow at a record rate of 2.18% annually during the same period.

The current downtown population consists of smaller household sizes compared to the broader City (2.14 vs. 2.57). A significant proportion of these households are seniors, with those aged 65 and above constituting 27.15% of the downtown residents, compared to only 13.68% of the total city population.

These trends in population change and diverse demographic influx are expecting to last or even increase, driven particularly by a population boom from industrial activities. The upcoming major industrial projects coupled with low vacancy rate has created an attractive climate for multi-unit residential development investment.

As stated in the 2024 Downtown Market Gap Analysis, the ongoing developments in Alberta's Industrial Heartland are set to benefit Fort Saskatchewan's economy. With an estimated 8,000 direct and 30,000 indirect jobs, the industrial workforce in the Industrial Heartland around Fort Saskatchewan can play a significant role in boosting the city's downtown area and further supporting its vitalization strategies. With thousands of well-paid workers anticipated to commute, reside, and spend in our city, the demand for local services, retail, cultural, social, recreational activities, and housing is expected to escalate.

³ Alberta's Industrial Heartland Association. Alberta's Industrial Heartland aids economic recovery with world-class manufacturing infrastructure. July 8, 2022.



The upcoming major industrial projects coupled with low vacancy rate has created an attractive climate for multiunit residential development investment.





CONCLUSION

Downtown Fort Saskatchewan is positioned for growth, but targeted actions are needed to maximize its potential as a thriving economic and cultural hub. Increasing the residential population is critical to supporting local businesses and ensuring long-term economic vitality. A larger downtown population will generate more foot traffic, strengthen demand for retail and services, and contribute to a more active, livable urban core. With Fort Saskatchewan's anticipated population growth and strong demand for multi-unit residential developments, there is a prime opportunity to attract investment and expand housing options in the downtown area.

Commercial vacancy remains a challenge that must be addressed to create a thriving downtown environment. Despite a strong presence of local businesses, vacant storefronts and underutilized spaces limit downtown's ability to compete with other commercial districts. Engaging property owners, attracting new businesses, and repurposing vacant spaces are key steps toward revitalization. A diverse mix of businesses and services will enhance downtown's appeal, making it a more dynamic destination for both residents and visitors.

Downtown Fort Saskatchewan offers distinct development advantages that should be actively promoted. Compared to other municipalities, land acquisition costs are lower, making it an attractive location for new investment. Its strategic location provides convenient access to Highways 21 and 15, offering a short commute to major industrial and employment areas, while maintaining a walkable environment with nearby schools, retail, entertainment, and healthcare facilities. The city's overall growth, driven in

large part by investment in Alberta's Industrial Heartland, further strengthens downtown's potential as a desirable place for businesses, residents, and investors alike.

To build a resilient and prosperous downtown, the focus must be on increasing the residential population, promoting private investment in underutilized spaces, and reducing commercial vacancy. The following recommendations provide a framework of actionable items to ensure Downtown Fort Saskatchewan remains the dynamic and attractive hub of our city for years to come.

The Downtown Development Strategy workplan has been informed by the data and studies in this report and emphasizes building relationships with developers, realtors, and landlords to better support and encourage private investment in Downtown Fort Saskatchewan. Using the insights gained from these relationships, Administration will adjust existing programs to increase the investment attractiveness of the downtown.



PHASE 1: RESEARCH & STRATEGIC OUTREACH (MAY 2024 - JUNE 2025)

1.1.	Identify existing lots within Downtown Fort Saskatchewan that may be ideal for redevelopment. Prioritize the potential lots based on previous development inquiries.
1.2.	Complete a jurisdictional scan, that identifies 15-25 infill projects that could be a suitable for Fort Saskatchewan.
1.3.	Interview Administration within the municipalities where suitable comparable projects were found. Through the interviews, gain insight as to how the municipalities supported the projects.
1.4.	Interview Edmonton area developers with successful infill projects or who have previously expressed interest in developing in the downtown.
1.5.	Interview realtors who are promoting potential infill sites within downtown Fort Saskatchewan.
1.6.	Interview existing downtown landlords, commercial tenants, and business owners.
1.7.	Join Infill Development in Edmonton Association (IDEA), to build connections, learn about successful infill projects in comparable municipalities, and promote Downtown opportunities and incentives.
1.8.	Investigate bylaws intended to address derelict properties in other municipalities, and other tools used to disincentivize property owner long-term absenteeism.

PHASE 2: IMPLEMENTATION PLANNING (MARCH 2025 - SEPTEMBER 2025)

2.1.	Based on the information received, identify the types of infill projects that best align with the needs and opportunities in downtown Fort Saskatchewan, as well as what, if any, barriers may exist to the possible development of these projects.
2.2.	Prepare a proforma to better understand the economic viability of desired development and the impacts of the incentive program.
2.3.	Based on the information received, review existing incentive programs, including: • Brownfield Incentive Program; • Downtown Development Grant Program; and • Business Development Grant Program (specifically Storefront Improvement Program).

PHASE 3: IMPLEMENTATION & MARKETING (MARCH 2025 – JUNE 2026)

PROGRAM DEVELOPMENT (MARCH – SEPTEMBER 2025)

3.1.	Bring amendments or proposed new programs to Council for consideration.
3.2.	Present findings on deterrent measures for problem properties, such as derelict property bylaws.
3.3.	Identify gaps in existing regulations that may be barriers to infill development and recommend adjustments.

PHASE 3: IMPLEMENTATION & MARKETING (MARCH 2025 – JUNE 2026)

MARKETING & ENGAGEMENT (MAY 2025 – MAY 2026)

3.4.	Develop targeted marketing materials, including sale sheets tailored to local realtors and investors.
3.5.	Create an opportunity webpage highlighting available properties, incentives, and case studies of successful infill projects.
3.6.	Work closely with realtors and property owners to ensure clear messaging about the benefits of infill programs.
3.7.	Host realtors and brokers roundtables to promote available incentives, and opportunities and gather feedback on emerging challenges, barriers, and opportunities.
3.8.	Host developer info sessions to discuss available incentives and gather feedback on potential improvements.
3.9.	Offer a dedicated support system, through a designated staff member or team/ package, to assist developers in navigating municipal processes, permits, and financial programs.

PHASE 3: IMPLEMENTATION & MARKETING (MARCH 2025 – MAY 2026)

OUTREACH & MONITORING (ONGOING UNTIL JUNE 2026)

3.10.	Regularly collect and analyze feedback from realtors and developers to refine promotional strategies and incentive programs.
3.11.	Continue to meet with developers, landlords, and realtors to facilitate connections between stakeholders.
3.12.	Track and report on the uptake of incentive programs and adjust marketing efforts accordingly.
3.13.	Develop a metrics report showcasing new infill projects, property improvements, and lessons learned for ongoing program refinement.



DOWNTOWN DEVELOPMENT STRATEGY



DOWNTOWN
FORT SASKATCHEWAN