Issue Brief #4 – Current Growth North of 41st Avenue SW

Summary

This Issue Brief outlines the growth that has occurred to date over the last several decades in Edmonton's south side Developing Area, which is located directly north of the Future Growth Area.

Key Questions

- How much has southern Edmonton grown since it started to develop?
- How much development potential is left north of 41st Avenue SW?
- How fast can we anticipate that the lands north of 41st Avenue SW will be used up?

How much has southern Edmonton grown since it started to develop?

Southern Edmonton refers to the Southwest, Ellerslie, and Rabbit Hill Districts. The Southwest District includes neighbourhoods like Chappelle and Windermere, while Ellerslie includes neighbourhoods like Summerside and Decoteau. Rabbit Hill is the furthest south district and is currently agricultural, with some industrial development near the airport.

41st Avenue SW is the former southern boundary of the City, which was extended further south via the 2018 annexation decision which resulted in the transfer of lands to Edmonton on January 1, 2019. 41st Avenue SW now acts as the boundary between the Developing Area and the Future Growth Area (FGA).

41st Avenue SW is the northern edge of the Rabbit Hill District, so all of that district is within the FGA. The Ellerslie District is bisected by 41st Avenue SW, so only the southern portion of that district is within the FGA.



Figure – District Plan Map

Southwest District

Since 2001, the Southwest District has experienced a vast amount of growth. In 2001, there were only 1,470 residents. Two decades later, the population had grown over 5000% to 83,710 residents. 2021 is the latest year with available federal census data, but the population has certainly increased even more due to the large amount of development continuing to occur over the past five years. The number of neighbourhoods developing in this area of the City has grown as well, from one neighbourhood actively being constructed in 2001 to 20 neighbourhoods under development in 2025.

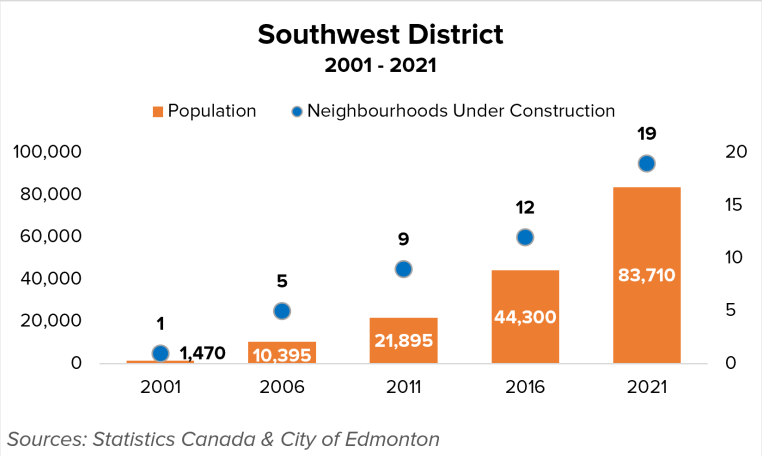


Figure – Southwest District Population Growth

In total, over 50,600 of the planned 73,000 units (roughly 69.3%) in the Southwest District were already built as of 2021. Looking at just Heritage Valley, which covers the District's eastern half, 42,200 units were planned and roughly 31,000 (73.5%) have been completed over that same timeframe. Three Southwest neighbourhoods have even eclipsed the number of planned units in the NSP: Blackmud Creek, Graydon Hill, and MacEwan. This reinforces the heightened density that post-2000 neighbourhoods in the area are achieving. Twelve of the District's 21 neighbourhoods (including the three mentioned above) have achieved a unit completion rate of at least 90%.

Ellerslie District

While development began in the Ellerslie District in 2000, censuses did not begin tracking population in this part of the City until 2006. That year, 5,860 people resided in the area. In 2021, the Ellerslie District's population crossed the 50,000-population milestone. Similarly, the number of neighbourhoods under construction increased considerably from two in 2001 to eight in 2025. In the last five years, three additional neighbourhood have commenced developments, with the latest, Meltwater, starting construction in 2025. The eight developing neighbourhoods all have governing Neighbourhoods Structure Plans (NSPs). However, in Decoteau, there is expected to be an additional three neighbourhoods that should see approval in the coming years.

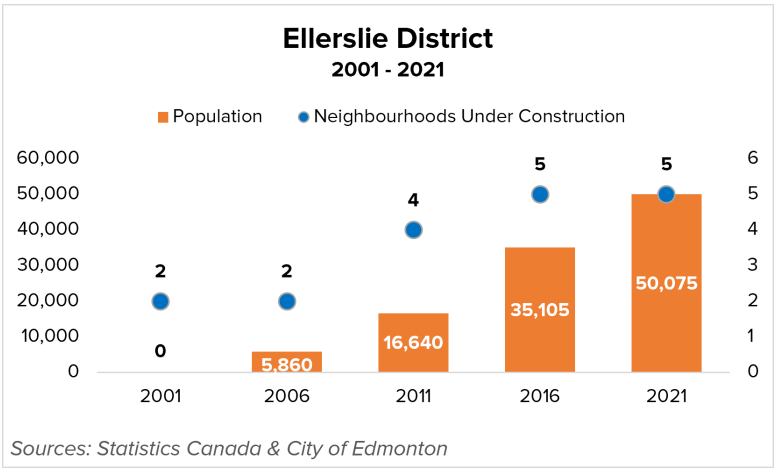


Figure – Ellerslie District Population Growth

Similar to the Southwest District, the Ellerslie District north of 41st Avenue SW is also moving towards full completion. Overall, 27,700 (or approximately 46.9%) of the planned 59,000 units have been built. The Ellerslie ASP sub-area and Southeast ASP are 95% and 70.8% complete, respectively. The Decoteau area was approved most recently and had a unit completion rate of 4.3% as of 2021, but will see increasing rate of unit completion as the prior to areas achieve full completion.

How much development potential is left north of 41st Avenue SW?

Southwest District

According to approved statutory plans, there is a total of 34,718 low-density lots planned for this part of Edmonton. As of the end of 2025, 25,589 lots, or 74.5%, have been absorbed. Of the 21 neighbourhoods in the Southwest District, six have experience 100% low density absorption rate: Blackmud Creek, Desrochers, Glenridding Heights, Graydon Hill, MacEwan, and Paisley. Another five neighbourhoods have achieved a lot absorption rate between 90% and 100%: Allard, Chappelle, Heritage Valley Town Centre, Richford and Rutherford.

Of the remaining 8,859 unabsorbed lots (25.5%), over 4,300 (or approximately 48.5%) are in Kendal and Heritage Valley 14 (HV14). The lion's share, which will be in the former, comprise 3,839 low-density lots, or 43.3% of the unabsorbed lots. The latter is slated to have 393 low-density lots. HV14 was planned to contain a major provincial healthcare facility, which has since been deprioritized by the provincial government. Removing HV14 from the equation, the total supply of unabsorbed lots is reduced further to 8,466 lots. In total, this represents approximately 9.6 years of land supply, based on current rates of consumption.

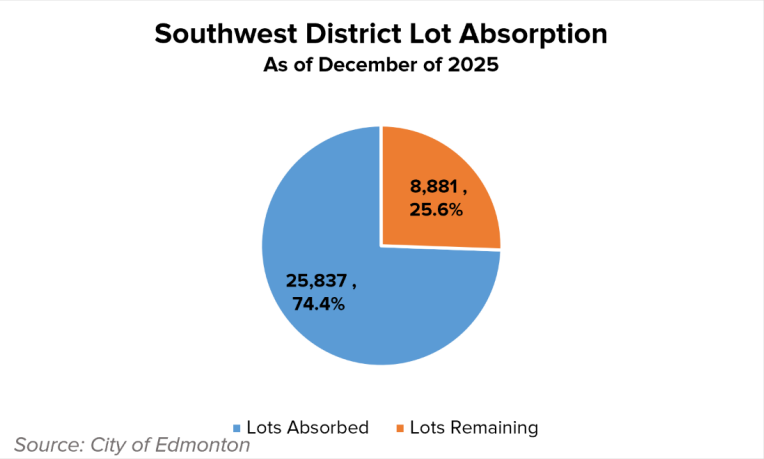


Figure – Lot Absorption in Southwest District

Ellerslie District

Amongst the eight Ellerslie District neighbourhoods for which an NSP has already been approved, 20,045 low-density lots were planned. As of the end of 2025, 14,816 planned lots (or 73.9%) have been absorbed. Only two Ellerslie District neighbourhoods have reached 100% absorption: Ellerslie and Charlesworth. Another, Walker, has achieved an absorption rate of over 90%. Of the remaining 5,229 lots, 74.9% are in the three newest neighbourhoods, all of which have started development since the 2021 federal census was conducted. On this side of the City, the portion of Ellerslie District north of 41st Avenue SW has approximately 31.4 years of land supply. Given that three of the neighbourhoods are less than three years removed from inception, the full buildout of the planning district is anticipated as the Rabbit Hill District and other areas south of 41st Avenue SW develop.

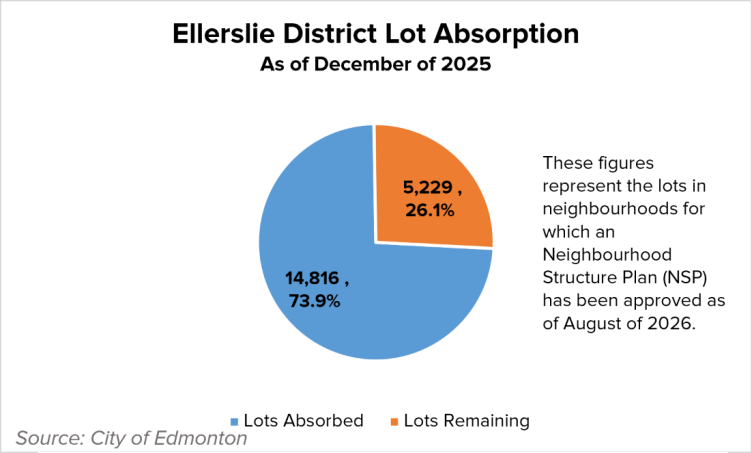


Figure – Lot Absorption in Ellerslie District

Despite the current figures on available supply, Edmonton is rapidly running out of time to properly plan and develop the FGA. Thoughtfully planning and developing a neighbourhood can take many years, even before the first house is built. There is approximately 9.6 years of land supply left in the Southwest. Typically a city sector needs over a decade of land supply to ensure that no shortage of housing occurs – in previous generations of City policy Edmonton aimed for at least 25 years of suburban residential land supply within its boundaries. The minimum threshold has been reached and the city risks running out of land if planning is not initiated imminently.

The Heritage Valley SDCB and the Windermere ASP took several years to coalesce, and underlying planning and development processes took even more time. Waiting to start planning new neighbourhoods until after developing out all existing communities means there would be several years where a limited supply of land would be available, crescendoing housing prices and eroding housing attainability. If Edmonton continues to grow as it has on average over the last decade, the supply could be used much more quickly. Therefore, authorizing planning for the lands south of 41st Avenue SW should occur sooner rather than later to minimize friction in responding to future housing demand.

Sources

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