

4. Growth and Settlement: 20-Year Population Projections and Land Needs Analysis

It is critical to understand the future development needs of the community. From a land use and development perspective, projected population growth represents demand and helps determine how much development is anticipated to occur in the future. Demographic trends further refine what types of development may be required going forward. This information is then utilized to determine the land and subsequent services needed to accommodate future growth. The majority of growth should be accommodated within the Urban Settlement Area (USA), which is the designated area of the community where development occurs at higher densities utilizing municipal water and sewer services.

What We Know

Key Points

- It is anticipated that the Sault will grow by almost 10,000 people over the next 20 years, from approximately 73,400 in 2016 to 83,300 in 2036. The overwhelming majority of this growth will result from newcomers moving here to fill job vacancies.
- Employment is projected to grow by about 6,000 jobs, from approximately 31,000 jobs in 2016 to 36,900 jobs in 2036. The health and social services, and business services sectors will see the largest gains, accounting for over 1/3 of all job growth. It is anticipated that manufacturing jobs will see a slight decline.
- Attracting and retaining newcomers will be critical to supporting growth. An increasingly mobile and remotely located workforce suggests that developing and marketing significant quality of life attributes will be required in order to compete for the skilled workforce in the projected growth sectors.
- Based upon projected land demand and current vacant land supply, there is generally enough residential, commercial and industrial designated lands to accommodate projected growth over the next 20 years.
 - Six amendments are proposed to the Urban Settlement Area (USA), which will increase its size by approximately 124 hectares.
 - A number of the proposed minor alterations to the Urban Settlement Area are aimed at securing a healthier surplus of residential lands to help ensure ongoing affordability and choice in Sault Ste. Marie's housing market.
 - An emphasis on residential intensification and mixed-use residential development will also help to minimize the land required for residential uses.
 - The slight deficit of institutional designated lands can be addressed by permitting a variety of institutional uses across numerous land use designations.
 - A surplus of industrial lands can be utilized to make up for the projected commercial land deficit by permitting a range of commercial uses in select industrial areas.
- An emphasis will be placed upon encouraging a wide variety of compatible and complementary development in close proximity to major nodes, corridors and activity hubs.
- Existing policies restricting the location of large office uses outside of the Downtown are worth reconsidering due to current and emerging trends.

Population, Housing and Employment Projections

Much of the information in this section is from Dillon Consulting and MetroEconomics' *Sault Ste. Marie Population, Housing and Employment Projections — Commercial and Industrial Land Needs Analysis* report⁵, completed in September 2018, which utilized the most recent Statistics Canada census data from 2016.

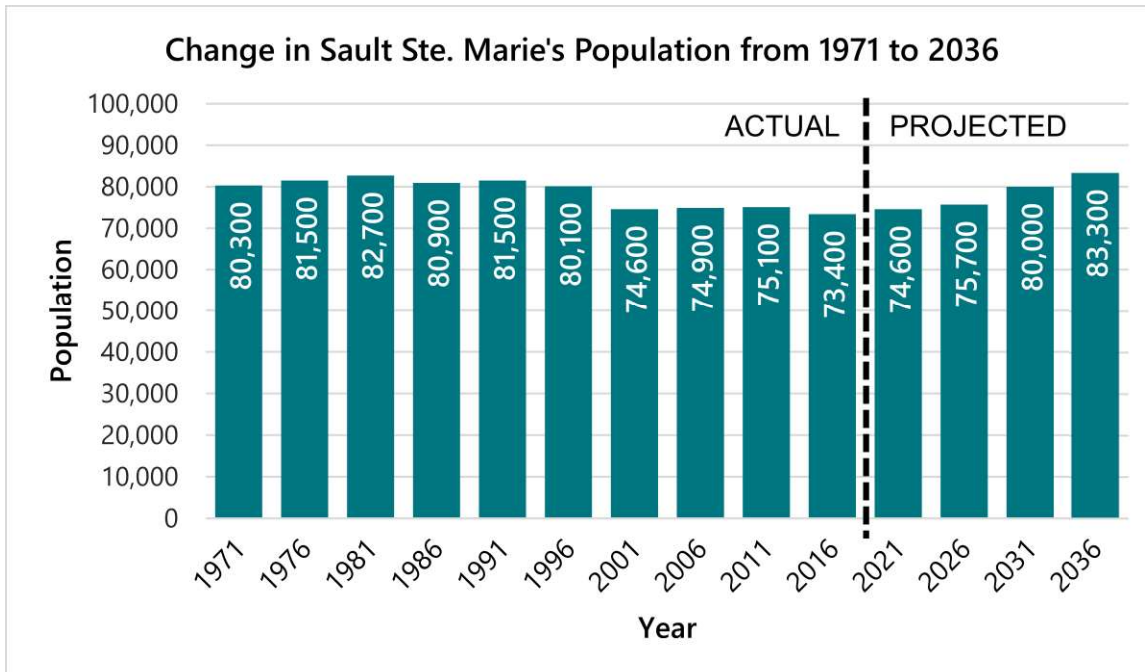
The Provincial Policy Statement (2020) requires municipalities to ensure that sufficient land is available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of up to 25 years. In particular, housing projections shall be for no less than 15 years. The data presented below is over a 20-year timeframe between 2016–2036. The nature of projections is such that the level of error and uncertainty increases further into the future. For these reasons, a 15-year projection timeframe is appropriate. Going forward, these projections should be revisited and reviewed, in accordance with the monitoring policies discussed in the [Implementation and Monitoring Chapter](#).

Projected Changes in Population

The Sault will **grow by almost 10,000 people over the next 20 years**, primarily from people coming to fill new jobs and replace retiring Baby Boomers. Our city's population is expected to rise from approximately 73,400 in 2016 to 83,300 in 2036, bringing population levels back to those in the early 1980s.

Figure 4.1: Actual and Projected Population of Sault Ste. Marie from 1971 to 2036.

Source: Statistics Canada and MetroEconomics.



⁵ Available at: <https://shapethesault.ca/land-use>

Population growth is anticipated to be predominantly through people moving to the Sault rather than through births (i.e. natural growth).

Table 4.1: Projected Change in Population Over 20 Years Due to Migration and Births/Deaths.

Source: MetroEconomics, Sault Ste. Marie Land Needs Analysis Report.

	Projected 20-year net change in population
Migration	+ 18,000 people
Births/Deaths	– 8,100 people
Total change in population	+ 9,900 people

Table 4.2: Projected 20-Year Change in Population Across Age Groups.

Source: MetroEconomics, Sault Ste. Marie Land Needs Analysis Report.

Age group	Change in population
0 to 14	+ 2,750
15 to 19	+ 675
20 to 24	Essentially no change
25 to 34	+ 150
35 to 44	+ 3,400
45 to 54	+ 975
55 to 64	– 2,225 (decrease)
65 to 74	+ 1,500
75 & over	+ 2,675
Total	+ 9,900 approx.

Projected population change will vary across age groups, with children, middle-aged and seniors showing the largest increase over the next 20 years. Currently the Sault's population has a substantially higher proportion of seniors than the province. However, it is anticipated that in 20 years our city's demographics will be similar to that of the province. The projected 20-year decrease in people aged 55 to 64 is due to the low numbers of people currently living in Sault Ste. Marie who are between 35 to 44 years old.

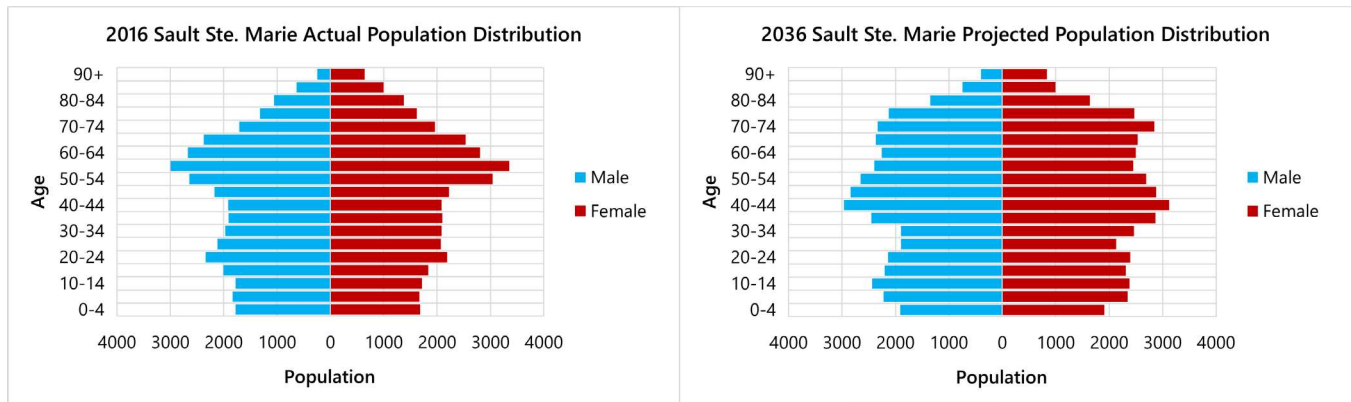
Table 4.3: Comparison of Proportion of Broad Age Groups in Sault Ste. Marie's and Ontario's Population.

Source: a) Statistics Canada; b) MetroEconomics; c) Ontario Ministry of Finance.

Age group	Sault Ste. Marie		Ontario	
	2016, actual ^a	2036, projected ^b	2016, actual ^a	2036, projected ^c
0 to 14 years	14.3%	15.9%	16.4%	15.1%
15 to 64 years	63.4%	59.4%	66.8%	60.7%
65 years & over	22.4%	24.8%	16.7%	24.3%

Figure 4.2: Population Pyramid for Sault Ste. Marie in 2016 and 2036.

Source: Statistics Canada, 2016 Census of Population and MetroEconomics, SSM Land Needs Analysis Report.



Projected Changes in Employment

The key to the Sault's growth is attraction and retention of people, primarily through job availability. It is estimated that employment will **grow by approximately 6,000 jobs**, from approximately 31,000 jobs in 2016 to 36,900 jobs in 2036. Different industries will experience different changes over the next two decades. Health and social services will continue to be the top employer. Manufacturing jobs will drop slightly but will still be one of the city's top sectors.

Table 4.4: Projected 20-Year Change in Jobs Available in Sault Ste. Marie by Industry.

Source: MetroEconomics, Sault Ste. Marie Land Needs Analysis Report.

Industry	Change in job numbers
Health and social services	+ 1,250
Business services	+ 1,100
Construction	+ 650
Accommodation and food	+ 650
Professional, scientific and technical services	+ 625
Arts, entertainment and recreation	+ 600
Education	+ 575
Wholesale trade	+ 225
Retail trade	+ 175
Finance, insurance and real estate	+ 175
Transportation, warehousing	+ 150
Manufacturing	- 275 (decrease)
Other industries	Change by less than 100 each
Total	+ 5,900 approx.

Table 4.5: Top Ten Industries Providing the Most Jobs in Sault Ste. Marie in 2016 and 2036.

Source: MetroEconomics, Sault Ste. Marie Land Needs Analysis Report.

	2016, actual		2036, projected	
Rank	Job sector	Job numbers	Job sector	Job numbers
1	Health and social services	5,410	Health and social services	6,660
2	Retail trade	4,450	Retail trade	4,625
3	Manufacturing	3,605	Manufacturing	3,320
4	Accommodation and food	2,630	Accommodation and food	3,270
5	Government	2,550	Education	3,040
6	Education	2,460	Business services	2,845
7	Business services	1,745	Government	2,630
8	Finance, insurance, real estate	1,355	Professional, scientific, technical services	1,740
9	Other services	1,215	Arts, entertainment, recreation	1,720
10	Arts, entertainment, recreation	1,125	Construction	1,675

The City's Approach to Population and Economic Growth

The City of Sault Ste. Marie, like all other Northern Ontario communities aims to attract and achieve population and economic growth. While this may be a given to most residents, many large high growth communities in Southern Ontario are more focused on managing and accommodating projected growth. In other cases, there are municipalities with a focus on maintaining the existing character of their community where growth is less welcome. **To embrace growth is to embrace change.**

The City's current approach, as outlined by FutureSSM, to growing Sault Ste. Marie can be described using three R's:

Recruit — attract people here.

Retain — keep people here.

Repatriate — bring people back here who have previously moved away.

The main focus of this approach is to attract people to replace retiring baby-boomers and take new jobs created by changes in demographics, such as health and social services. In order to attract an increasingly mobile and remotely located workforce the City needs to build a high quality of life that will entice young adults to settle down and raise a family here.

Vacant Land Supply in Sault Ste. Marie

As of 2019, there are **922 hectares (2,279 acres)** of vacant urban land available to be developed.

Table 4.6: Vacant Urban Land in Sault Ste. Marie by Land Use Designation, as of 2019.

Source: City of Sault Ste. Marie.

Land use designation	Vacant land area
Residential	321 ha (793 ac)
Commercial	46 ha (114 ac)
Industrial	543 ha (1,342 ac)
➤ “Investment Ready” Industrial land	➤ 315 ha (778 ac)
Institutional	12 ha (30 ac)
Total	922 ha (2,279 ac)

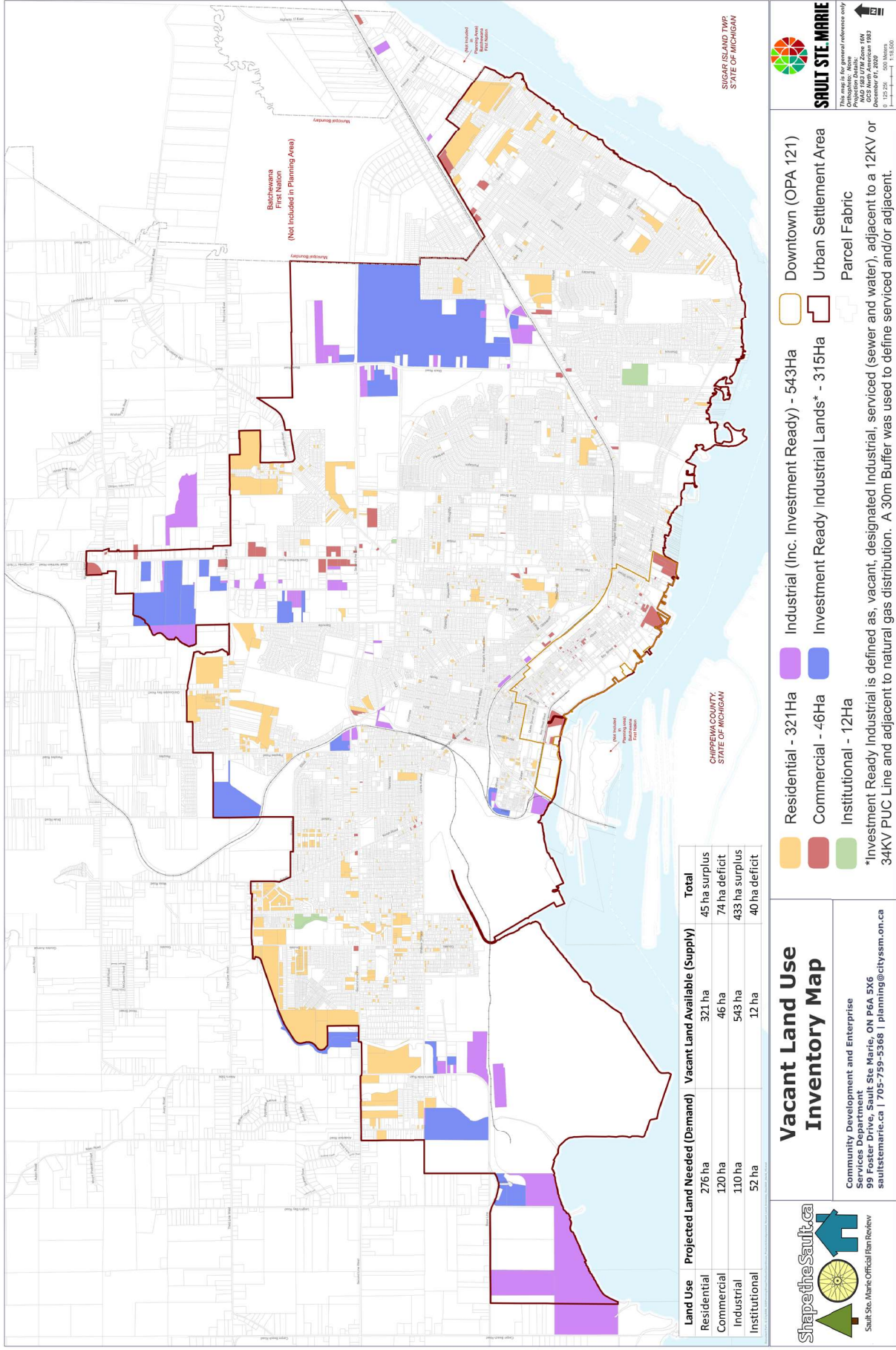
Most of the Sault’s vacant residential land is located near the edge of the Urban Settlement Area in the west, north and east ends of the City. However, there are also numerous residential properties that represent infill development opportunities, especially in the west end, and there are various vacant properties across the City that are the result of the closure of former neighbourhood schools.

Vacant commercial land is mainly found in the Downtown and along the Great Northern Road corridor and include a number of significant waterfront properties, such as the ‘Gateway Site’ by the Casino, the ‘Suncor Property’ by the Bushplane Centre and part of the former hospital property.

Vacant industrial land is available in all of Sault Ste. Marie’s existing industrial areas. The largest contiguous vacant industrial property is located on Black Road between McNabb and Second Line East — this property is currently owned by the Province of Ontario. Planning staff have also identified 315 hectares (or 58%) of vacant industrial land that can be considered “Investment Ready”, which refers to land that is vacant, designated for industrial uses, serviced (or easily serviced) by municipal sewer and water systems, adjacent to 12KV or 34KV electrical lines and natural gas distribution.

There is limited vacant institutional land, with the majority being located adjacent to existing institutional uses: the former Sir James Dunn site next to Algoma University, a vacant lot on Northern Avenue by Sault College and a property located behind Korah Collegiate and Vocational School.

Figure 4.3: Inventory Map of Vacant Lands in Sault Ste. Marie.
 Source: City of Sault Ste. Marie.



Land Needs for Residential Uses

To accommodate the City’s projected growth of approximately 10,000 new residents, it is estimated that **approximately 4,000 new homes will need to be constructed over the next 20 years**. This is based on an average household size that is projected to fluctuate between 2.23 and 2.28 persons per household over the next 20 years.

Table 4.7: Projected Mix of the 4,000 New Homes Needed Over 20 Years.

Source: Dillon Consulting and City of Sault Ste. Marie, Sault Ste. Marie Land Needs Analysis Report.

Housing type	Single Detached	Semi-detached & Duplex	Townhouse	Apartment	Total
Projected new housing mix by percentage — based on current housing mix in SSM	65%	10%	3%	22%	100%
Projected housing mix by units	2,600	400	120	880	4,000
Typical gross density in SSM — units per gross hectare; includes roads	12/ha (5/ac)	16/ha (6.5/ac)	19/ha (8/ac)	32/ha (13/ac)	
Gross land demand	217 ha	25 ha	6 ha	28 ha	276 ha
Proportion of gross land demand	79%	9%	2%	10%	100%

Although market demands will likely fluctuate over the next 20 years, it is still anticipated that more than half of new dwelling units constructed will be single detached houses, and thus the vast majority of residential land needed will be used for constructing single detached dwellings.

Figure 4.4: Projected New Dwelling Units Over 20 Years.

Source: Dillon Consulting and City of Sault Ste. Marie, Sault Ste. Marie Land Needs Analysis Report.

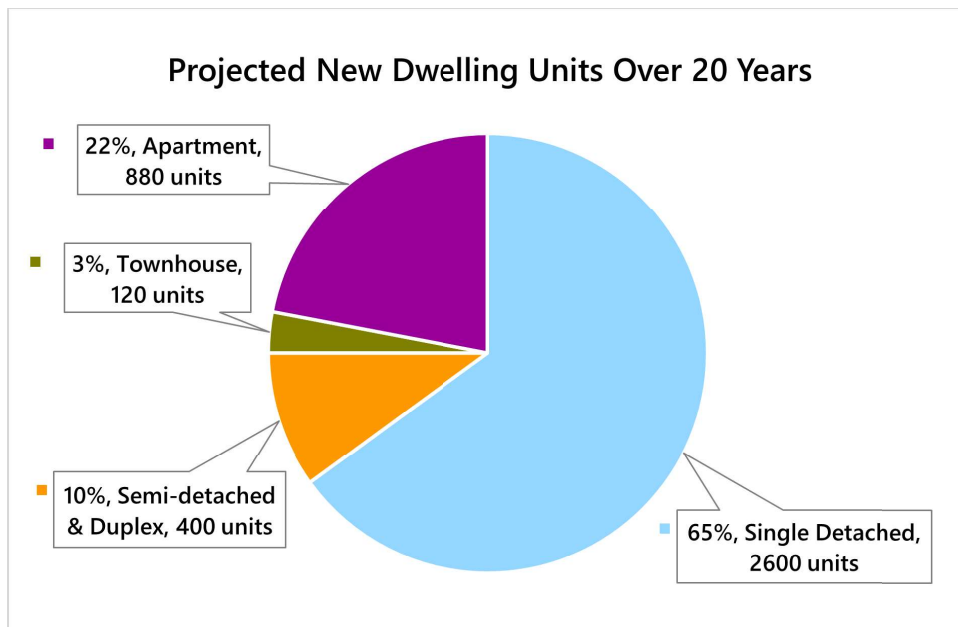
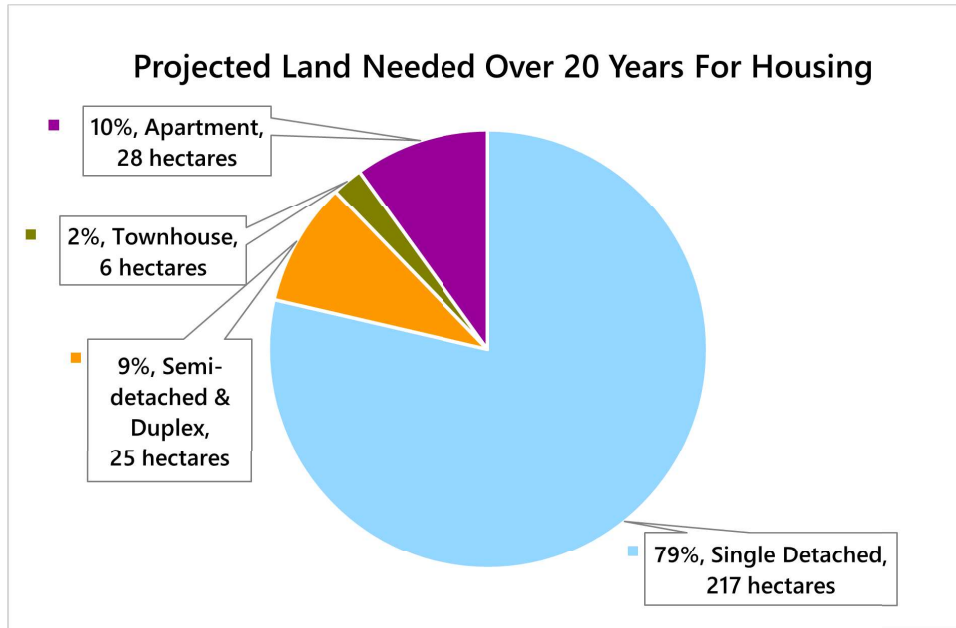


Figure 4.5: Projected Land Needed Over 20 Years for Housing, by Type of Dwelling.

Source: Dillon Consulting and City of Sault Ste. Marie, Sault Ste. Marie Land Needs Analysis Report.



Between 2019 and 2026, the rate of housing construction is projected to stay at similar levels to the housing construction rate over the past two decades. After 2026, it is projected that housing construction will increase back to 1980s levels, as families move here and our population expands.

Figure 4.6: Change in New Housing Units Constructed Per Year from 1986 to 2036.

Source: City of Sault Ste. Marie, building permit data (1986-2016); MetroEconomics, Sault Ste. Marie Land Needs Analysis Report (2016-2036).

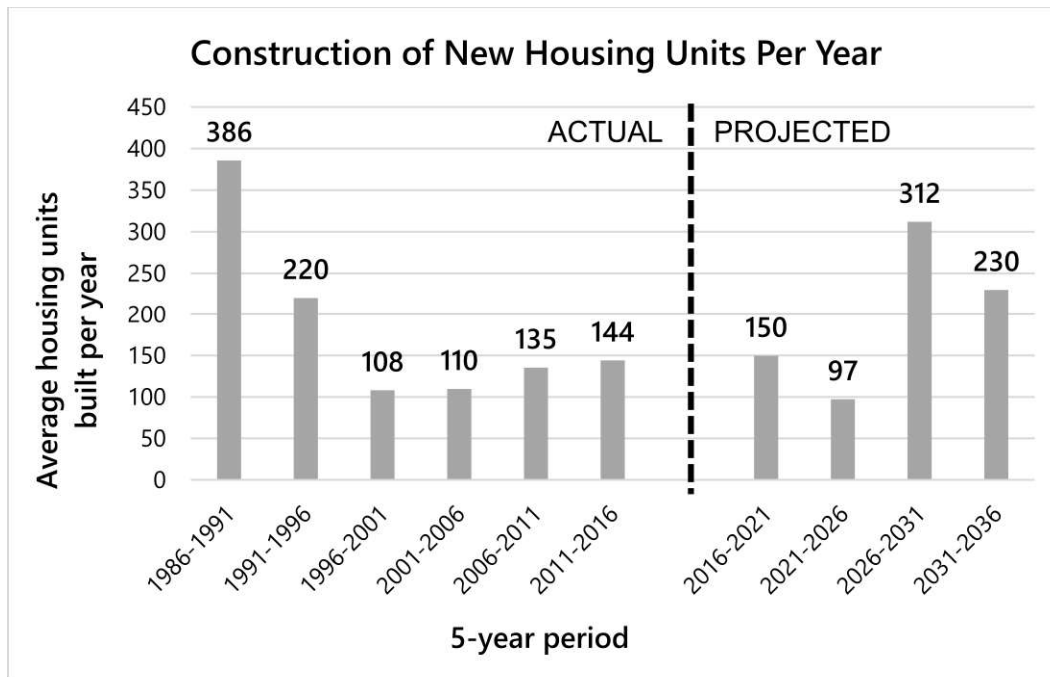


Table 4.8: Land Demand, Supply and Net Need for Residential Uses.

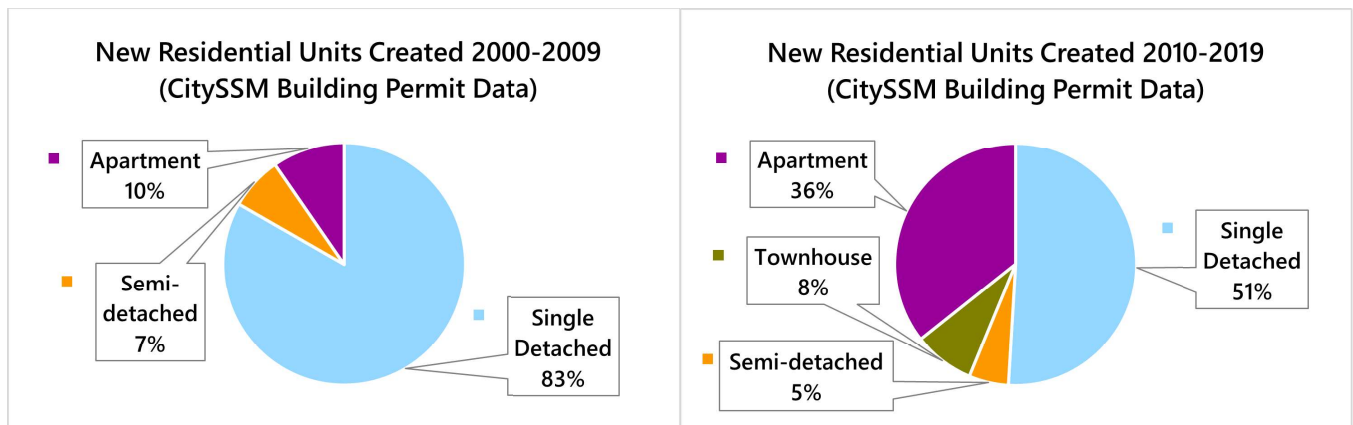
Source: Dillon Consulting and City of Sault Ste. Marie.

	Projected land demand	Vacant land supply	Residual land need
Residential land use	276 ha	321 ha	45 ha — Surplus (111 acres)

In recent years, the City has seen a trend towards greater demand for denser types of housing (apartments and townhouses) and less demand for single detached dwellings. Building permit data show that single detached dwelling construction has decreased from 83% in the 2000s to 51% in the 2010s. In addition, Provincial Policy and best practises in urban planning encourage greater infill development and residential intensification, as opposed to sprawl or greenfield development.

Figure 4.7: Comparison of New Residential Units Created Over the Past Two Decades.

Source: City of Sault Ste. Marie building permit data.



Land Needs for Employment Uses

The Province requires municipalities to plan for up to a 25-year supply of lands identified as "**employment areas**". These are areas designated commercial, industrial and institutional which can accommodate clusters of business and economic activities to support much of Sault Ste. Marie's job growth.

Based on the 20-year projections presented above and City staff's analysis of vacant land currently available, in general, there is enough land to accommodate new industrial development over the next two decades. There is a deficit of land specifically designated for commercial and institutional uses, but those uses can often be accommodated on other lands. For example, certain larger scale commercial uses can locate in select industrial areas and smaller scale neighbourhood commercial uses can locate in residential areas. Institutional uses can also be accommodated in commercial and residential areas.

Table 4.9: Summary of 20-Year Land Needs for Employment Uses in Sault Ste. Marie.

Source: City of Sault Ste. Marie; Dillon Consulting; MetroEconomics.

Employment land use	Projected growth	Projected land demand	Vacant land supply	Residual land need
Commercial	<u>Retail</u> — 599,000 sq. ft. of floor space <u>Non-retail</u> — 3,000 jobs	<u>Retail</u> — 15 ha (see details below) <u>Non-Retail</u> — 105 ha (includes allowance for 10% vacancy rate) Total Commercial demand — 120 ha	46 ha	74 ha — Deficit (183 acres)
Industrial	800 jobs	110 ha (includes allowance for 10% vacancy rate)	543 ha	433 ha — Surplus (1,070 acres)
Institutional	1,800 jobs	52 ha (includes allowance for 5% vacancy rate)	12 ha	40 ha — Deficit (99 acres)

Commercial Land Needs

Existing Vacant Commercial Floor Space in Sault Ste. Marie

To obtain a better understanding of commercial needs, Planning staff conducted a commercial floor space analysis. Records of vacancy rebate applications from 2011 to 2017 were used to calculate a yearly average amount of vacant commercial space. Since the vacancies fluctuated from year to year, commercial vacancies are communicated as an average between 2011 and 2017.

Table 4.10: Average Vacant Commercial Floor Space in Sault Ste. Marie between 2011 to 2017.

Source: City of Sault Ste. Marie vacancy rebate data; Municipal Property Assessment Corporation (MPAC).

	TOTAL	Downtown	Great Northern Road	Second Line West	Trunk Road	Other areas
All Commercial Space						
Total space (s.f.)	6,807,000	2,888,000	2,301,000	376,000	599,000	643,000
Average vacant space (s.f.)	473,000	216,000	113,000	50,000	74,000	19,000
Average vacancy rate (%)	6.9	7.5	4.9	13.3	12.4	2.9
Large Office / Large Medical Space						
Total space (s.f.)	902,000	706,000	168,000	8,000	0	20,000
Average vacant space (s.f.)	96,000	82,000	12,000	0	0	2,000
Average vacancy rate (%)	10.6	11.6	6.8	0	n/a	10.6
Retail Space — Including Shopping Centres						
Total space (s.f.)	4,356,000	1,586,000	1,499,000	323,000	513,000	436,000
Average vacant space (s.f.)	332,000	115,000	82,000	48,000	73,000	13,000
Average vacancy rate (%)	7.6	7.3	5.5	14.9	14.3	3.1
Shopping Centre Space						
Total space (s.f.)	1,234,000	493,000	314,000	128,000	256,000	42,000
Average vacant space (s.f.)	176,000	48,000	50,000	34,000	44,000	300
Average vacancy rate (%)	14.3	9.7	16.1	26.7	17.0	0.7

*Note: "Average" refers to the average (mean) amount/percentage of space per year over the 2011 to 2017 period that was vacant for at least 180 days in each of the seven years analysed. "Total space" for each category is based on 2019 property assessment data. The umbrella category of "All commercial space" includes a number of other small commercial properties.

Figure 4.8: Inventory Map of Sault Ste. Marie Properties with Vacant Commercial Floor Space in 2017.
 Source: City of Sault Ste. Marie.

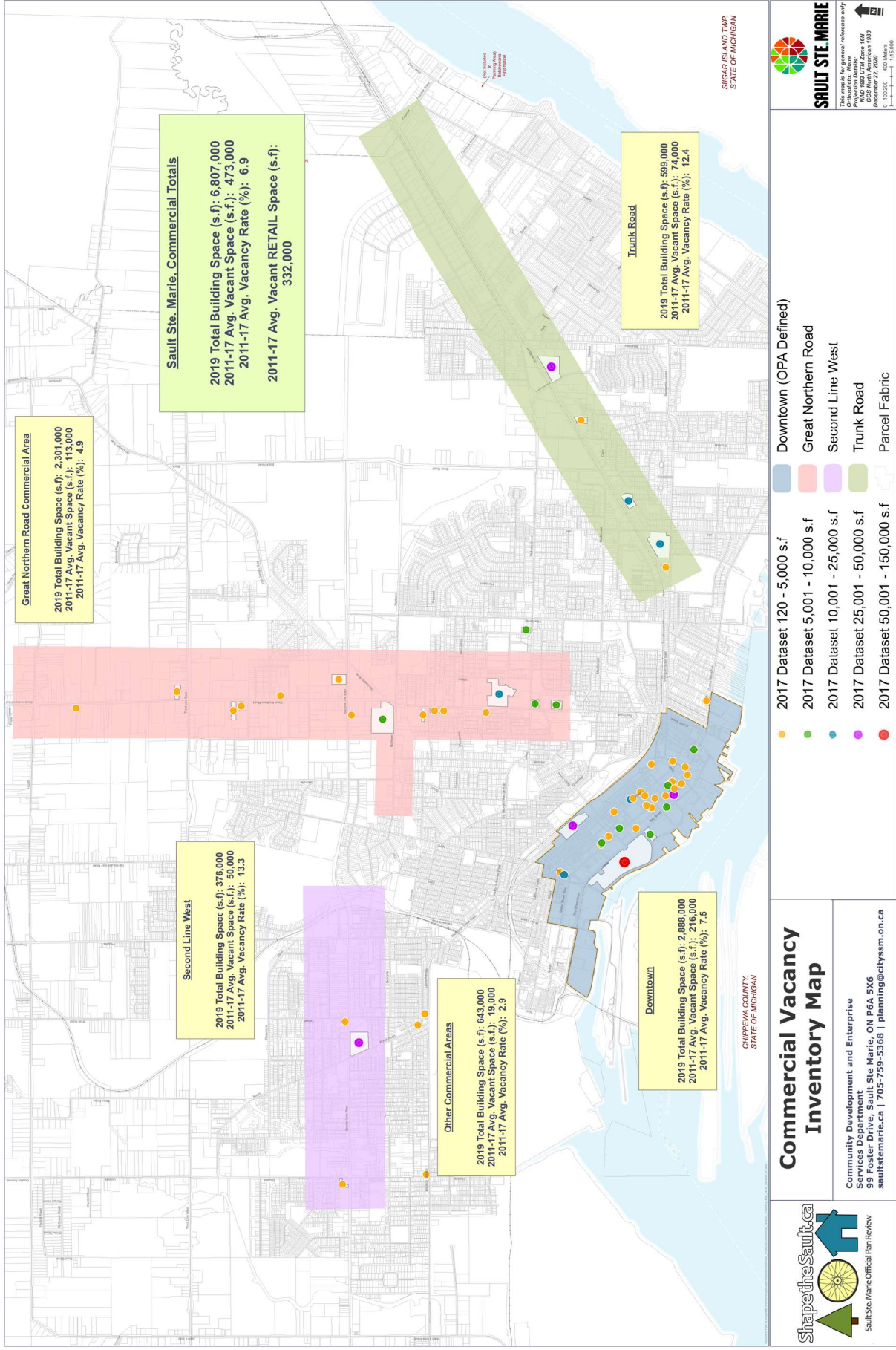
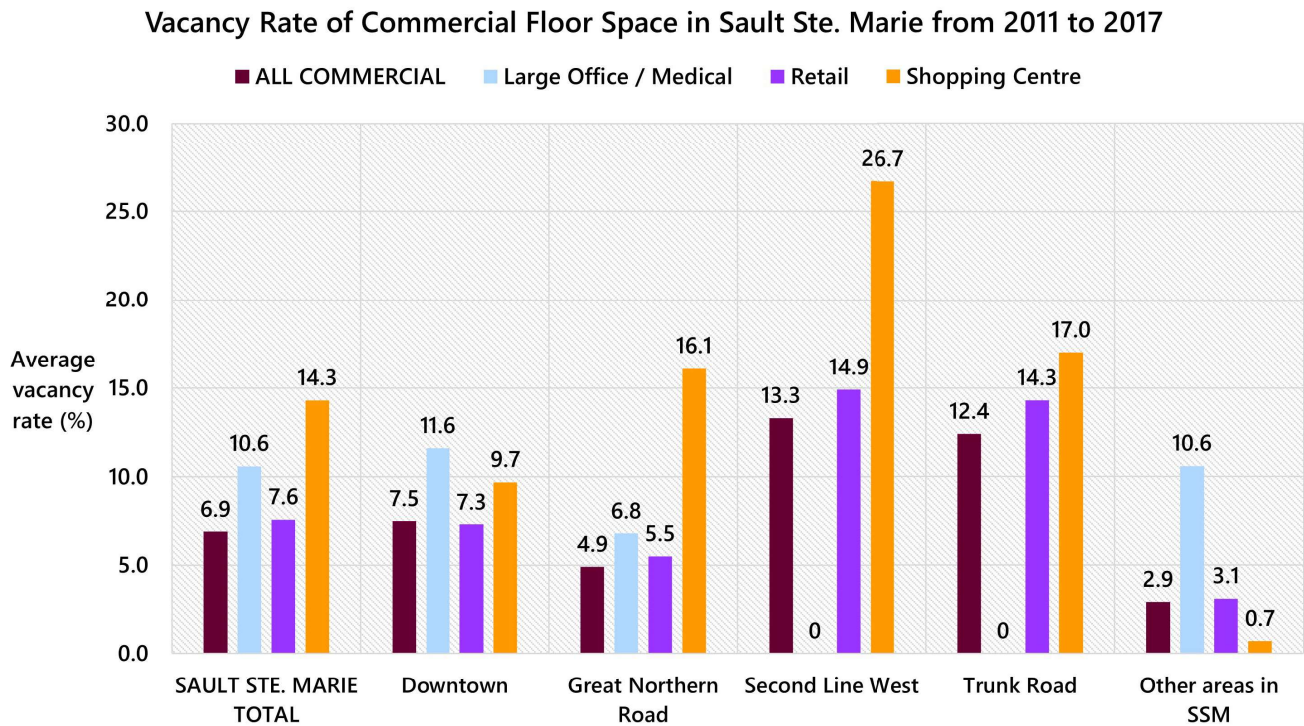


Figure 4.9: Vacancy Rate of Commercial Floor Space in Sault Ste. Marie from 2011 to 2017.

Source: City of Sault Ste. Marie, vacancy rebate data; Municipal Property Assessment Corporation (MPAC).



Some types of buildings were excluded from this analysis:

- Government-owned properties, e.g. Roberta Bondar Place, Civic Centre, Courthouse.
- Commercial use buildings on Industrial-zoned land, e.g. Rona on Black Road, White Oak Drive.
- Hotels and motels.

Special notes regarding a few specific buildings:

- Lowe's (92,000 s.f., closed January 2019): Included in 2013 and 2014 numbers before Lowe's moved in.
- Sears (124,000 s.f., closed October 2017): Specifically included in 2017 numbers despite being vacant for less than half the year.
- Station Mall Walmart (67,000 s.f., closed July 2019): Not included because outside 2011 to 2017 period.
- Rona (27,000 s.f., closed in 2018): Not included because zoned Industrial. Reoccupied by an industrial/wholesale use in 2021.
- Wellington Square Mall: Renovations in 2020 resulted in a loss of approximately 30,000 s.f. of floor space.

In comparison to Canada's major cities, Sault Ste. Marie's vacancy rate for retail properties is relatively higher. On the other hand, Sault Ste. Marie's vacancy rate for office properties is not considerably different from that of Canada's major cities.

Table 4.11: Commercial Vacancy Rates in Other Canadian Cities.

Source: CBRE, Canada Retail Marketview and Canada Office Quarterly Statistics

City	Population (2016 Census, metro not city)	Retail all types (H2 2018)	Regional shopping centre (H2 2018)	Office city-wide (Q2 2019)	Office downtown (Q2 2019)
Sault Ste. Marie	78,000	7.6%	14.3% *	10.6%	11.6%
Halifax	403,000	8.2%	12.3%	15.9%	18.8%
London, ON	494,000	n/a	n/a	18.3%	19.2%
Waterloo	535,000	n/a	n/a	8.8%	9.8%
Winnipeg	778,000	8.4%	15.0%	11.0%	11.9%
Edmonton	1,321,000	2.3%	3.3%	19.3%	19.1%
Ottawa	1,324,000	5.3%	6.3%	7.0%	7.4%
Calgary	1,393,000	3.7%	14.7%	24.4%	26.1%
Vancouver	2,463,000	1.8%	n/a	4.3%	2.6%
Montreal	4,099,000	4.1%	5.1%	11.2%	7.5%
Toronto	5,928,000	2.3%	4.4%	7.4%	2.6%
Total vacancy in compared cities		3.6%	6.5%	11.3%	9.8%

*Note: For this analysis, local shopping centres include 7 properties: Station Mall, Cambrian Mall, Market Mall, Wellington Square, Churchill Plaza, 248 Northern Avenue ('K-mart Plaza') and Pine Plaza. CBRE does not calculate vacancy rate data for smaller cities that are similarly sized to Sault Ste. Marie.

Projected Retail Commercial Land Demand

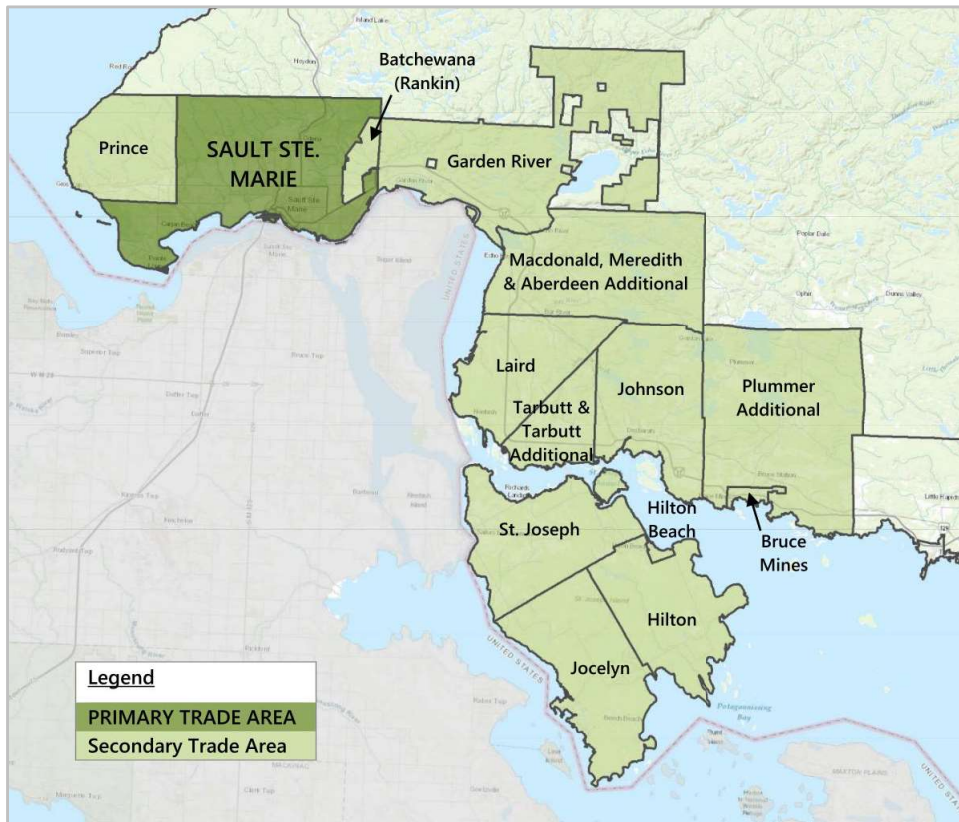
It is projected that over the next 20 years, just under **600,000 square feet of retail floor space** will be needed to accommodate demand. The anticipated retail floor space requirements account for local capture rates, leakage rates, expenditure in-flow and e-commerce impacts.

Capture rates are the estimated proportion of total retail expenditures made by people living in Sault Ste. Marie's primary and secondary trade areas (as shown in Figure 4.10) that is spent at or captured by retail businesses located in Sault Ste. Marie.

- Primary Trade Area capture rates:
 - 95% of the spending on food store retail.
 - 75% of the spending on general and specialty retail.
 - 75% of the spending on home improvement retail.
 - 70% of the spending on alcohol retail.
 - 85% of the spending on restaurants.
- Secondary Trade Area capture rates:
 - On average, 50% of total expenditures for all retail categories is spent in Sault Ste. Marie.

Figure 4.10: Sault Ste. Marie's Primary and Secondary Trade Areas.

Source: Dillon Consulting, Sault Ste. Marie Land Needs Analysis Report.



Leakage rates refer to consumer spending that takes place outside of the trade area consumers live in. A prime example is cross-border shopping. The amount of leakage is what remains from the capture rates outlined above. For example, the leakage rate for Saultites' spending on grocery retail is 5%.

Projected retail demand also accounts for expenditures within Sault Ste. Marie made by consumers living outside of the Sault Ste. Marie trade areas, including those living east of Plummer Additional Township and in the Sault North area. It is estimated that this "**expenditure in-flow**" accounts for 15% to 20% (depending upon retail category) of the total amounts of money spent at local businesses.

The increasing impact of **e-commerce** (online shopping) was accounted for through reductions in the total floor space demand for each retail category. It is estimated that by 2038, the amount of floor space for each retail category that could be reduced because of e-commerce is:

- 5.25% for food store retail.
- 10.5% for general and specialty retail.
- 5.25% for home improvement retail.
- 4.5% for alcohol retail.
- 0% (no reduction) for restaurants

Table 4.12: Projected 20-Year Floor Space Demand for Different Categories of Retail.

Source: Dillon Consulting, Sault Ste. Marie Land Needs Analysis Report.

Retail category	Projected 20-year demand in floor space (Using 'medium' sales efficiency scenario)
Food store retail	76,000 s.f.
General and specialty retail	419,000 s.f.
Home improvement retail	40,000 s.f.
Alcohol Retail	8,000 s.f.
Restaurant	56,000 s.f.
Total for all retail	599,000 s.f.

Dillon Consulting also projected that **approximately 59%** of vacant retail floor space will be reused by 2038 — known as a "**vacancy reuptake rate**". Based on 2011–2017 yearly averages calculated from vacancy rebate data (see Table 4.10), there is approximately 332,000 square feet of vacant retail commercial floor space in any given year. Therefore, around 195,000 square feet of floor space demand can be satisfied through reuse of vacant retail space, leaving roughly 404,000 square feet yet to be fulfilled. Utilizing a typical 25% land coverage rate, 404,000 square feet of retail space will require **approximately 15 hectares of land**.

Table 4.13: Floor Space Demand, Supply and Net Need for Retail Commercial Uses.

Source: Dillon Consulting and City of Sault Ste. Marie.

	Projected floor space demand <i>Dillon Consulting</i>	Vacant floor space supply <i>City of Sault Ste. Marie</i>	Residual floor space need and equivalent land need
Retail commercial	599,000 s.f.	332,000 s.f. Estimated 58.8% of this vacant supply, that is, 195,000 s.f., will be re-utilized by 2038.*	404,000 s.f. space — Deficit equivalent to 15 ha land — Deficit

*Note: This assumes a 3% vacancy rate (137,000 s.f. out of the total 4,356,000 s.f.) will remain for commercial retail space.

Projected Non-Retail Commercial Land Demand

Based on Sault Ste. Marie's projected changes in employment, the number of employees working in **non-retail commercial-type jobs is expected to grow by around 3,000** over the next 20 years. Commercial jobs outside of retail include office jobs such as professional services, finance, insurance, real estate and other business services. These non-retail jobs also include hospitality and tourism-related jobs in sectors like accommodation, food, arts, entertainment and recreation.

The projected job growth translates to a **land demand of approximately 105 hectares for non-retail commercial uses**, which includes allowance for a 10% vacancy rate based on best practices.

Summary of Commercial Land Demand

Table 4.14: Land Demand, Supply and Net Need for All Commercial Uses.

Source: Dillon Consulting and City of Sault Ste. Marie.

	Projected land demand <i>Dillon Consulting and City of Sault Ste. Marie</i>	Vacant land supply <i>City of Sault Ste. Marie</i>	Residual land need
Commercial land use	120 ha (105 non-retail + 15 retail)	46 ha	74 ha — Deficit (183 acres)

According to City records, there is a total of **46 hectares of vacant land** available that is designated for commercial uses — both retail and non-retail uses. Comparing projected demand with available supply, there is a commercial land **deficit of 74 hectares (183 acres)** over the next 20 years. That said, commercial uses can often be accommodated on other lands not specifically designated commercial. For example, small scale neighbourhood commercial uses may be permitted on residentially designated lands and some larger scale commercial uses are appropriately located on industrially designated lands.

Industrial Land Needs

Based on projected changes in employment, the number of employees working in **industrial-type jobs is expected to grow by around 800** over the next 20 years. Industrial job sectors include manufacturing, construction, wholesale trade, transportation and warehousing.

Table 4.15: Land Demand, Supply and Net Need for Industrial Uses.

Source: Dillon Consulting and City of Sault Ste. Marie.

	Projected land demand <i>Dillon Consulting and City of Sault Ste. Marie</i>	Vacant land supply <i>City of Sault Ste. Marie</i>	Residual land need
Industrial land use	110 ha	543 ha, including 315 ha of 'investment ready' lands	433 ha — Surplus (1,070 acres)

The projected job growth translates to a **land demand of approximately 110 hectares**, including an allowance for a 10% vacancy rate based on best practices. According to the City's records, there is a total of **543 hectares of vacant land** designated for industrial uses available in the city. Comparing projected for industrial land demand to vacant supply, Sault Ste. Marie has an industrial land **surplus of 433 hectares (1,070 acres)**.

Institutional Land Needs

Based upon projected changes in employment, the number of employees working in **institutional-type jobs is expected to grow by around 1,800** over the next 20 years. Institutional job sectors include education, health and social services.

Table 4.16: Land Demand, Supply and Net Need for Institutional Uses.

Source: Dillon Consulting and City of Sault Ste. Marie.

	Projected land demand <i>Dillon Consulting and City of Sault Ste. Marie</i>	Vacant land supply <i>City of Sault Ste. Marie</i>	Residual land need
Institutional land use	52 ha	12 ha	40 ha — Deficit (99 acres)

The projected job growth translates to a **land demand of approximately 52 hectares**, including an allowance for a 5% vacancy rate based on best practices. According to City records, there is a total of **12 hectares of vacant land** designated for institutional uses available in the city. Comparing projected demand with available supply, Sault Ste. Marie has an institutional land **deficit of 40 hectares (99 acres)**. However, institutional uses can often be accommodated on other lands not specifically designated institutional. For example, schools are often in residential areas and medical offices are often located in commercial areas.

Summary of Projected Growth, Land Demand, Supply and Residual Land Needs to 2038

Provincial policy requires municipalities to ensure that sufficient land is available to accommodate an appropriate range and mix of land uses to meet projected needs. The majority of all growth should be accommodated within the Urban Settlement Area (USA) at urban densities utilizing municipal services such as water and sewer.

Table 4.17: Summary of Projected Growth, Land Demand, Supply and Residual Land Needs to 2038.

Source: City of Sault Ste. Marie and Dillon Consulting.

Urban Land Use	Projected growth	Projected land demand (including allowances for vacancy rates)	Vacant land supply	Residual land need
Residential	4,000 dwelling units	276 ha	321 ha	45 ha — Surplus (111 acres)
Commercial	<u>Retail</u> — 599,000 sq. ft. of floor space <u>Non-retail</u> — 3,000 jobs	<u>Retail</u> — 15 ha <u>Non-Retail</u> — 105 ha Total — 120 ha	46 ha	74 ha — Deficit (183 acres)
Industrial	800 jobs	110 ha	543 ha	433 ha — Surplus (1,070 acres)
Institutional	1,800 jobs	52 ha	12 ha	40 ha — Deficit (99 acres)

As indicated in Table 4.17, there is a modest surplus of residential land; however, it should be recognized that not all vacant, serviced residential lands within the Urban Settlement Area (USA) are on the market or otherwise available for residential development. In terms of housing, a larger land surplus is the 'fail safe' option, enabling more choice and affordability, which supports a key Provincial interest on affordable housing. For the new Official Plan, a number of minor USA alterations are proposed with the intent of increasing the overall residential land surplus, in a manner that builds upon existing nodes, corridors and activity hubs. Residential intensification and infill development efforts will also reduce land demands.

Small deficits in institutional and commercial land are anticipated, but they can be addressed by permitting those types of uses in a wider variety of areas.

Locally Important Growth and Settlement Matters

The Downtown

The Downtown is a major node that functions as a significant activity hub. An emphasis shall be placed upon encouraging a wide range of development in the Downtown, in support of the 2016 **Downtown Strategy**⁶, which aims to transform the Downtown into a vibrant and mixed-use neighbourhood that serves as the Sault's centre for entertainment, culture and retail activity.

Infill Development and the Adaptive Reuse of Existing Buildings

Encouraging infill development and the adaptive reuse of existing buildings is an overarching goal of this plan and should be encouraged across all land use categories. Infill development and the reuse of existing buildings is a method of 'growing from within' by taking advantage of existing infrastructure and facilitating the ongoing health and viability of existing areas and buildings.

Commercial Market Impact Study Requirements

Under current Official Plan policies, for applications to redesignate lands to Commercial or to facilitate commercial development in excess of 4,000m² (43,000s.f.), a market impact study is required to be submitted with the application. This requirement is not intended to evaluate competition among commercial sectors or individual establishments; rather, it is intended to evaluate impacts to existing commercial areas and ensure the viability of these areas.

Office Space Outside the Downtown

Existing Official Plan policies prohibit the development of major office space outside of the Downtown. Major office space is currently defined through the Zoning By-law as greater than 300m² (3,229s.f.). This has been in place to support the policy that the Downtown be maintained as the primary administrative centre of the community. This approach is consistent with the Growth Plan for Northern Ontario, which identifies Sault Ste. Marie's Downtown as a **Strategic Core Area** and encourages its use for a mix of *"employment uses and clusters, including office and retail"*.

A significant amount of major office space remains in the Downtown. According to data from the Municipal Property Assessment Corporation (MPAC), about 78% (706,000s.f.) of Sault Ste. Marie's total major office space (902,000s.f.) is located in the Downtown.⁷ In recent years, a number of existing buildings outside of the Downtown have been converted to permit office space. There have also been recent investments to update a number of existing office buildings in the Downtown, including the Queenscentre, Station Tower and the Bailey Hoogovens building.

The current Zoning By-law definition of office space is extremely broad and includes a variety of office types that are not administrative in nature, such as medical offices and other service-oriented offices, which are appropriately spread throughout the community to facilitate easy access for those they are intended to serve. The relocation of the Sault Area Hospital also resulted in the relocation of medical services to be situated closer to the hospital.

⁶ Available at: <https://shapethesault.ca/downtown>

⁷ Refer to Table 4.10. MPAC defines large / major office buildings as those over 7,500s.f. (700m²).

The Downtown remains the primary administrative centre of the community. However, as outlined in the Downtown Strategy, the Downtown area should be viewed as a 'complete neighbourhood' and policies should encourage a mix of uses that facilitate this 'completeness' — emphasizing mixed-use development, a broader range of housing options and supporting neighbourhood institutional uses as well as retail and entertainment uses. The provision of office space is an important component of a healthy Downtown, yet office space alone will not create the sense of vibrancy envisioned — activating the neighbourhood on evenings and weekends, beyond '9 to 5'.

The current approach to maintaining the Downtown as the primary administrative centre of the community has been restrictive in nature. Going forward, a revised approach will propose additional flexibility aimed at further defining different types of office uses, permitting some larger office spaces to locate outside the Downtown and removing any floor space restrictions for existing buildings outside of the Downtown. Grants and Community Improvement Plans have also been successful in promoting investment in the Downtown. It is recommended that these incentives continue to be utilized.

What We Heard

Key Themes Heard on: Growth and Settlement

- Many Saultites have concerns about increasing urban sprawl, especially with respect to commercial development (such as on Great Northern Road / Highway 17 North) and the associated impact on the Downtown.
 - However, some Saultites did suggest that the Urban Settlement Area boundary should be expanded for residential purposes, specifically in some areas that are almost surrounded by urban development and where municipal services can be easily added.
- Need more public-serving buildings and amenities in the east end. This area of the city has lost multiple amenities over the past decade, such as Sir James Dunn high school, Churchill Library and the former hospital.
- Develop more industrial land.
 - One stakeholder indicated that the lands which Planning staff identified as “Investment Ready” might not actually be easy or cost-effective to develop, due to factors such as geotechnical conditions and serviceability.
- Have plans for the extensive steel plant lands. For example: plans to promote use of vacant lands at the steel plant for industries that may benefit from proximity to the steel plant, or a backup plan for a scenario in which Sault Ste. Marie loses the steel plant.
- Protect stub ends of road rights-of-way for future extensions rather than developing that land.
- Some suggestions specific to development of the Downtown:
 - Repurpose vacant building space and land at Station Mall, for example, for housing and mixed-use development.
 - More little shops Downtown, including corner stores.
 - Too many social services and government-type offices, not enough entertainment and leisure-type uses.
 - Make residential the focus for Downtown instead, and let businesses locate anywhere in the city.

What We Propose

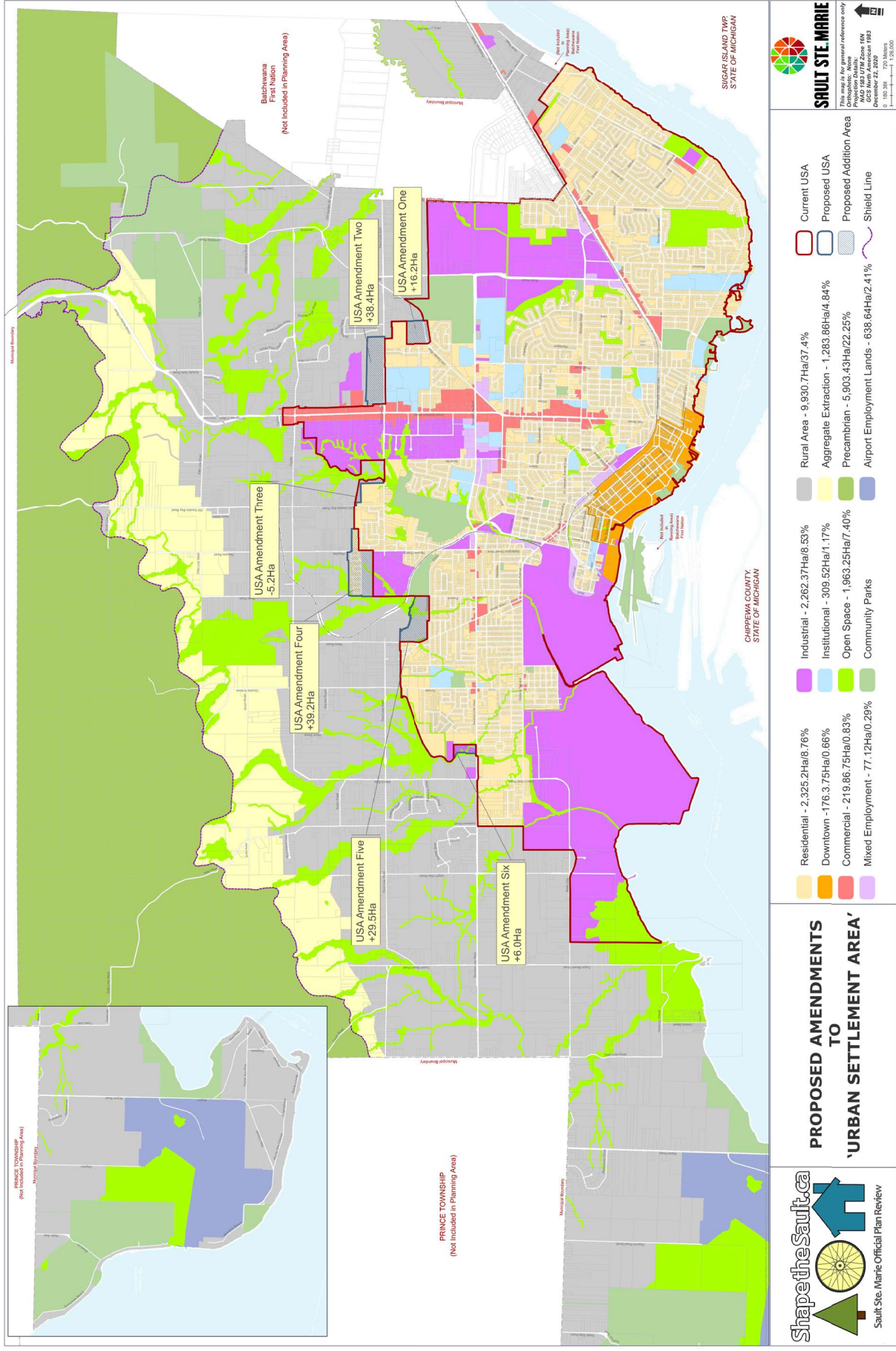
Proposed Official Plan Policies on: Growth and Settlement

The anticipated growth of the community forms the basis of numerous policies that will be found in the Official Plan. The proposed policies below set the framework for the overall settlement pattern of the community, for which certain aspects are further communicated in subsequent chapters throughout this document.

Proposed Urban Settlement Area (USA) Alterations

Six Urban Settlement Area amendments are proposed, as shown in Figure 4.11. Five amendments propose to make small additions to the USA and one a small reduction. In total, the proposed changes will add 124.1 hectares (306.66 acres) of land to the Urban Settlement Area. In all cases the amendments 'square off' the existing USA boundary to better reflect existing and future development potential within these areas. Where vacant lands are proposed to be added to the USA, existing Rural land use designations and Zoning will remain in place. This will require the need for Planning Act applications with a detailed review and public consultation process before these vacant lands can be developed. In cases where occupied lands are being added, current land use designations will remain in place to allow existing development to continue.

Figure 4.11: Map of Proposed Amendments to Sault Ste. Marie's Urban Settlement Area.
 Source: City of Sault Ste. Marie.

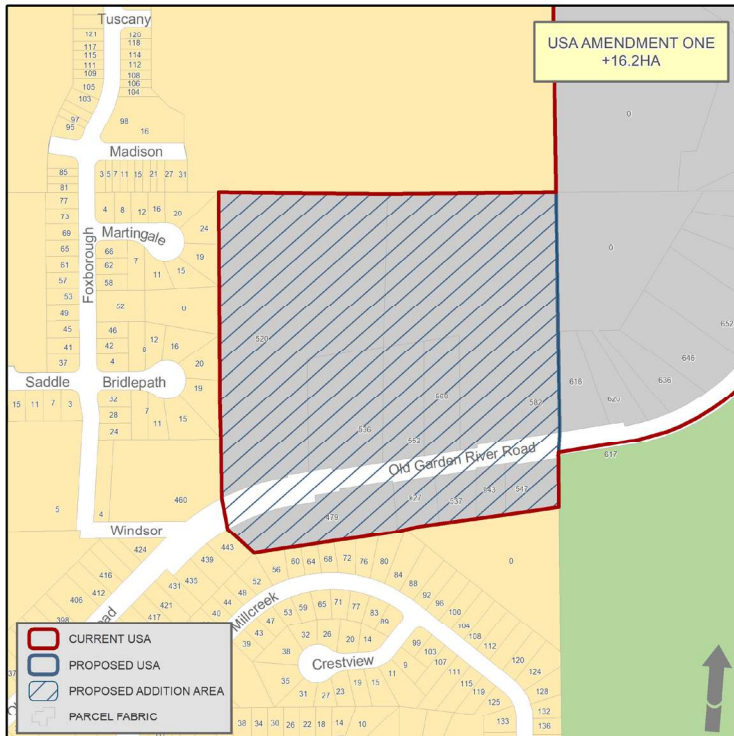


USA Amendment 1 — Old Garden River Road Area: Add 16.2 hectares.

This addition would ‘square off’ the current USA and bring in Rural designated lands that are currently surrounded on 3 sides by the Urban Settlement Area boundary. The anticipated future development potential in this area is urban residential. The area is in close proximity to major employment and activity hubs (Sault Area Hospital) and the Great Northern Road commercial corridor. Minimum distance separation issues between urban residential development and the Strathclair Horse Farm have been reviewed and are not anticipated.

Figure 4.12: USA Amendment 1 — Old Garden River Road Area.

Source: City of Sault Ste. Marie.

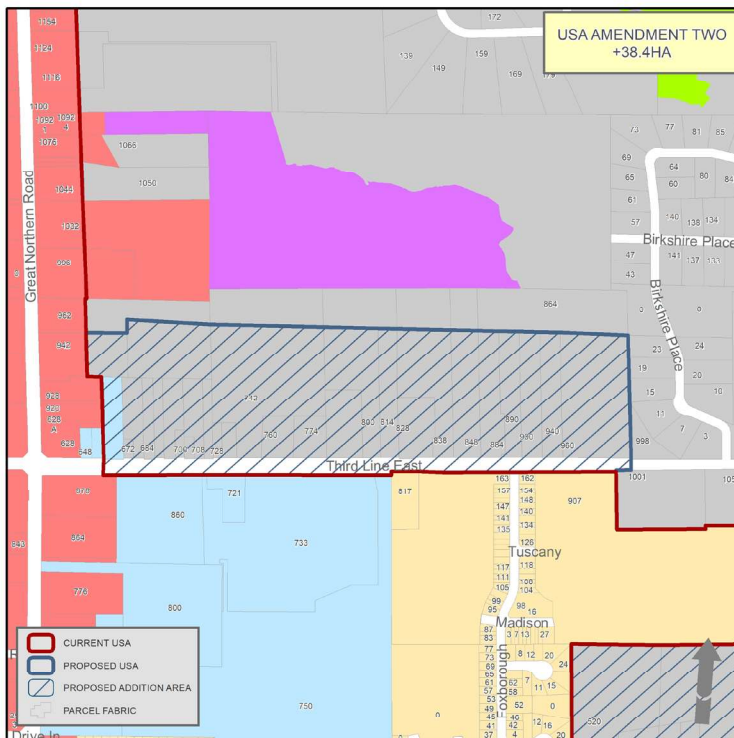


USA Amendment 2 — Third Line, just east of Great Northern Road: Add 38.4 hectares.

This addition proposes to expand the USA to include those Rural designated properties between Great Northern Road and just west of Berkshire Place, north to the hydro corridor. There remain a number of rural residential properties in this area; however, 3 parcels towards Great Northern Road are zoned Institutional as well as another sizable parcel to the east that is currently occupied by a place of worship. The anticipated development potential of this area is mixed, including uses that complement the major institutional activity hub across the street (Sault Area Hospital, Davey Home, Northern Treatment Centre) and the Great Northern Road commercial corridor to the west. The addition of urban residential development as a mixed-use component would also be appropriate.

Figure 4.13: USA Amendment 2 — Third Line, Just East of Great Northern Road.

Source: City of Sault Ste. Marie.

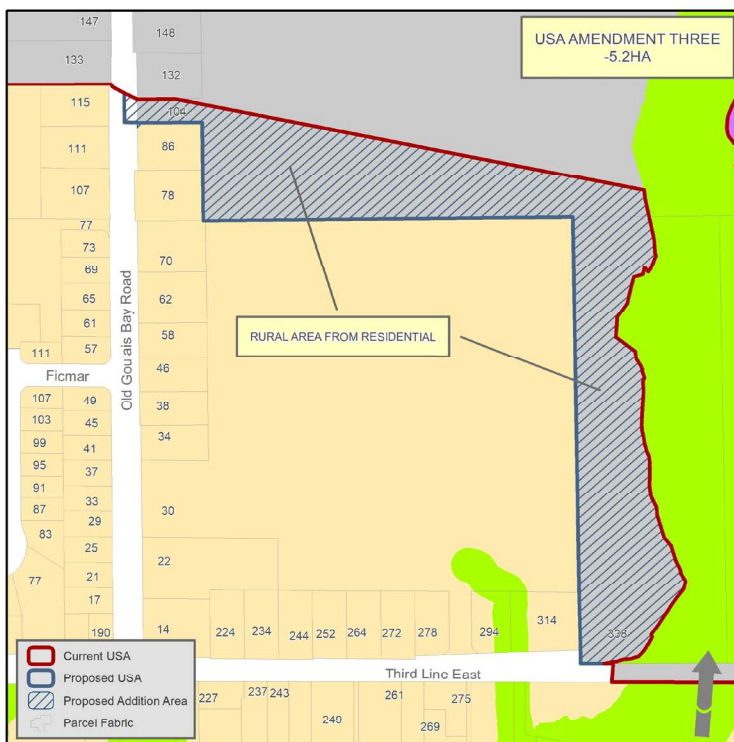


USA Amendment 3 — Third Line East and Old Goulais Bay Road: Remove 5.2 hectares.

The current Urban Settlement Area boundary bisects two properties. The boundary follows the west side of a significant ravine that crosses 338 Third Line East, and then runs on a diagonal to include a very small portion of 104 Old Goulais Bay Road to the north. The proposed USA boundary would be moved west and south to follow existing lot lines, removing the small portions of adjacent properties currently inside the USA. The ravine that bisects 338 Third Line East is a significant development constraint, and the small portion of 104 Old Goulais Bay Road to the north cannot be efficiently and effectively developed at urban densities without including the remainder of the lot. As part of this amendment, it is also recommended that the lands proposed to be removed from the USA be re-designated from Residential to Rural Area.

Figure 4.14: USA Amendment 3 — Third Line East and Old Goulais Bay Road.

Source: City of Sault Ste. Marie.



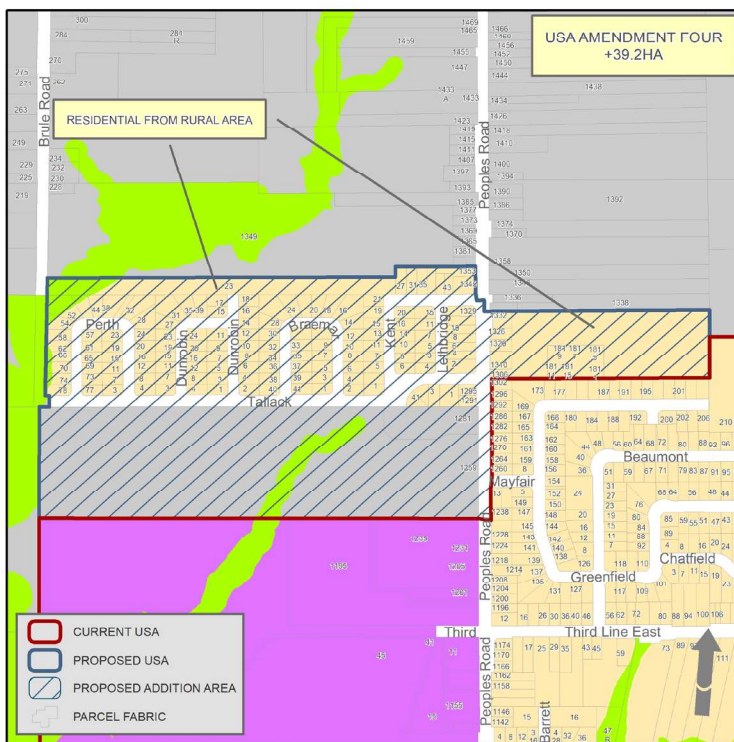
USA Amendment 4 — Peoples Road and Tallack Boulevard: Add 39.2 hectares.

This amendment proposes to add a number of larger parcels to be within the USA:

- Former Canadian Martyrs School Yard property, which abuts the USA and existing urban residential development (Greenfield Subdivision) to the south and east. The anticipated future development potential is urban residential.
- The existing Green Acres residential subdivision (Tallack Boulevard area), which already has urban municipal services.
- 1281 Peoples Road: a vacant Rural designated property on the west side of Peoples Road between Green Acres Subdivision and the Peoples Road industrial area. This parcel could develop residentially or industrially. It is noted that either type of development would require significant buffering given the existing industrial uses to the south, and existing housing to the north and east.

Figure 4.15: USA Amendment 4 — Peoples Road and Tallack Boulevard.

Source: City of Sault Ste. Marie.

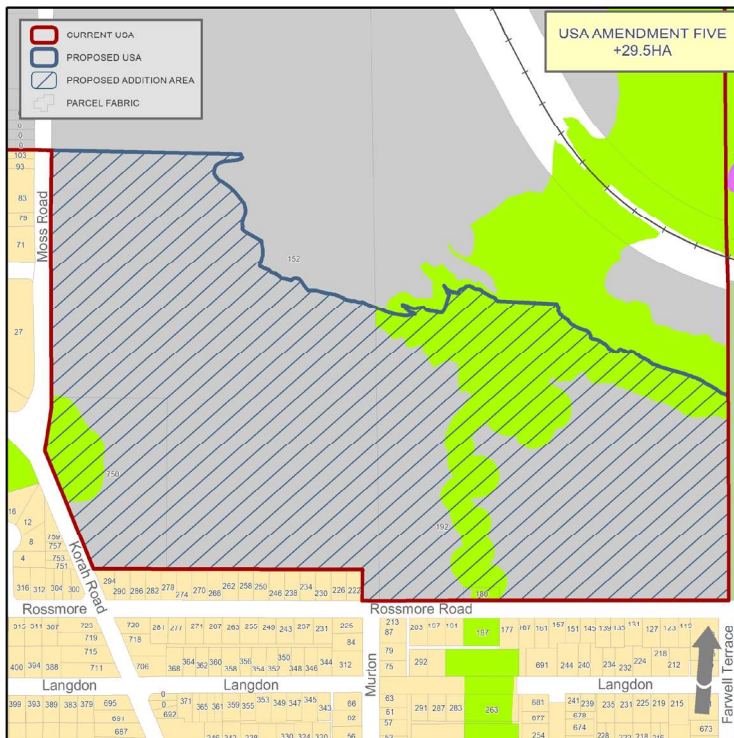


USA Amendment 5 — Garson’s Farm and Rossmore Road: Add 29.5 hectares.

This amendment proposes to add the portion of the former ‘Garson’s Farm’ property below the hill. The current Urban Settlement Area surrounds this area on 3 sides. There is existing urban residential development to the south and west. The Elliott Sports Complex abuts to the east, and to the northeast is the Peoples Road industrial area. A rail line traverses the property at the top of the hill. The anticipated development potential is urban residential. This area is in close proximity to the Second Line West commercial corridor, the Peoples Road industrial area and Elliott Sports Complex. It is recognized that both parcels are currently being utilized for small scale agricultural uses, which can continue. The existing Rural land use designation and zoning will remain. Nearby existing urban development (Type B Land Uses for the purposes of the Province’s agricultural Minimum Distance Separation Formulae, as discussed in the [Rural Area and Agriculture Chapter](#)) negate the ability to significantly expand the existing agricultural uses.

Figure 4.16: USA Amendment 5 — Garson’s Farm and Rossmore Road.

Source: City of Sault Ste. Marie.

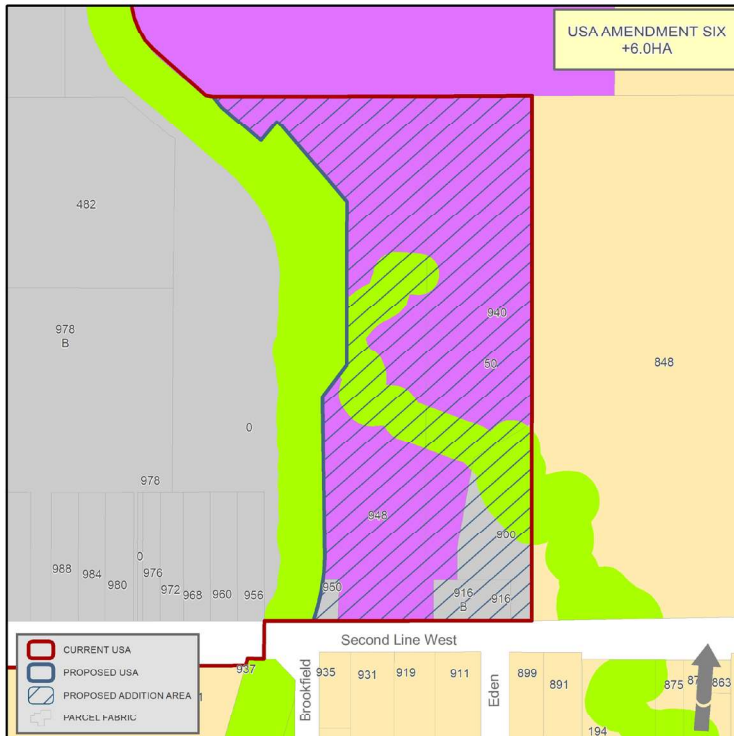


USA Amendment 6 — Second Line West and Bennett-West Davignon Channel: Add 6.0 hectares.

The current USA boundary follows the common lot line between 848 and 940 Second Line West, which are both owned and occupied by a large Contractor’s Yard. This amendment is largely administrative in nature and aimed at including all of the existing Contractor’s Yard located east of the Bennett-West Davignon Flood Control Channel. It is noted that future urban, serviced development would need to obtain water services from either the ‘A-patch’ to the east, or the existing subdivision to the south. The watermain this portion of Second Line cannot be easily tied into.

Figure 4.17: USA Amendment 6 — Second Line West and Bennett-West Davignon Channel.

Source: City of Sault Ste. Marie.



Settlement and Development Patterns

- It is an overarching goal to facilitate the majority of future development within the Urban Settlement Area. 🚲 🏠 ❤️
- There are enough lands available and appropriately designated within the proposed USA to accommodate anticipated residential, commercial, industrial, institutional and rural development growth, more specifically:
 - Total land needs can be further reduced by emphasizing residential intensification and mixed residential areas. Having said this, a number of the proposed USA additions will add lands that can be developed at urban residential densities. These additional lands are easily serviced and will not contribute to inefficient development patterns. Furthermore, the proposed USA additions with residential development potential are intended to recognize existing surrounding development and facilitate development that better complements nearby major activity hubs. Finally, it must also be recognized that within the modest surplus of vacant residential lands within the USA, not all of those lands will be made available for development. Consequently, the addition of more lands

- with urban residential development potential will increase the modest surplus and contribute to the overall affordability of residential development going forward.
- The small commercial land deficit will be accommodated within the sizable industrial land surplus through the creation of a new 'Mixed Employment' Land Use Designation.
 - A variety of appropriately scaled institutional uses will be encouraged to locate within most land use designations, thereby reducing the need for additional lands that are specifically designated for institutional uses. The proposed USA expansion just north of the Sault Area Hospital (USA Amendment 2) will create additional lands that have some institutional development potential.
 - The overall character of the Rural Area (lands outside of the Urban Settlement Area) should be protected and maintained. To the greatest extent possible, large lots shall remain intact and the long-term viability of agricultural and aggregate uses shall be protected. Rural residential development will continue to be permitted on a limited basis. ↗
 - The adaptive reuse of existing buildings will be encouraged, to enable the ongoing viability of existing buildings and the areas they are located in. ❤️🌿

Emphasizing Development Along Nodes and Corridors

Nodes and corridors are areas containing significant development potential to become mixed-use neighbourhoods with easy access to a variety of service amenities and housing. Nodes are areas that revolve around a central point where people gather, while corridors are linear areas along high-travelled routes. A number of areas in Sault Ste. Marie have been identified as nodes and corridors, as discussed further in the [Urban Design and Mobility Chapter](#).

It is an overarching goal to encourage a complete mixture of land uses to locate within nodes and along corridors, more specifically: ❤️🚲🏠

- An emphasis shall be placed upon facilitating complete neighbourhoods. Where gaps are identified, preference shall be given to uses and developments that can fill these gaps.

Examples of land use gaps or incomplete neighbourhoods include:

- Residential areas with a lack of commercial, recreational or institutional amenities, especially in higher density residential areas. New commercial, social and recreational amenities and services should be appropriately scaled with the residential character of the area.
- Commercial areas with a lack of nearby, easily accessible residential land uses, especially higher density residential uses and mixed commercial/residential uses.

Encouraging Development Around Large-Scale Activity Hubs 🚲❤️🏠

There are a variety of large-scale uses throughout the community such as the Sault Area Hospital, Sault College, Algoma University and Algoma Steel that generate significant activity and employment in a manner consistent with defined nodes. Most of these uses are along defined corridors and are destinations, accessed by everyone throughout the community and beyond. In areas near large 'activity hubs', an emphasis shall be placed upon encouraging development that complements the activity hub, filling land use gaps and contributing to a complete neighbourhood. The scale of new development should be consistent with the scale of the activity hub and the surrounding area. Where the activity hub is a larger scale industrial use or group of industrial uses such as an industrial park, further residential development is generally discouraged unless it can adhere to minimum distance separation criteria discussed in the [Land Use Compatibility Chapter](#).

Infill Development and the Adaptive Reuse of Existing Buildings


Encouraging infill development and the adaptive reuse of existing buildings is an overarching goal of this plan and will be encouraged across all land use categories. When assessing applications for infill development and the adaptive reuse of existing buildings, the following may be contemplated on a case-by-case basis:

- A wider variety of permitted uses.
- Reduced development standards that recognize existing site layout.

Commercial Market Impact Study Requirement

Applications to redesignate lands for new commercial development in excess of 5,000m² (53,820 sq. ft.) must include a **Market Impact Study**. The study shall assess the impact to other existing commercial areas.

Office Space Outside the Downtown

The Official Plan encourages major office space to locate in the Downtown, while allowing a broader range of office types and sizes to be located outside of the Downtown, to address vacancies in other commercial areas, support the adaptive reuse of vacant commercial buildings and promote greater access to services, including the co-location of services. 

The following approach is recommended:

- Continue to encourage major office space to locate in the Downtown through the use of reduced zoning standards and other community improvement incentives.
 - Increase the minimum size of ‘major office space’ from 300m² to 700m² (7,500s.f.) which is consistent with how the Municipal Property Assessment Corporation (MPAC) defines major office space.
 - This requirement does not apply where major administrative office space is part of or accessory to a larger use, such as large industrial or institutional uses.
- Permit medical offices and public service facilities to be spread throughout the community rather than clustered in the Downtown.
 - The Zoning By-law shall be amended to further define and differentiate the current broad categorization of office space, with the intent of differentiating offices engaged in providing public (non-profit) services.
- Permit existing buildings outside of the Downtown to be repurposed and occupied by major office spaces, with no office floor space cap.
 - Existing building is defined as existing on the day of adoption of the new Official Plan.

The Downtown Area

Characterized by a world class waterfront, a vibrant commercial corridor, and a large component of administrative services, the Downtown will continue to be a major focal point of the community. From a policy perspective, the focus will be to support the Downtown’s transition from a “traditional main street” into a true neighbourhood, one where a variety of commercial, residential and institutional developments will be permitted, integrated and complemented by high quality public spaces. A new Downtown land use designation will be applied to all lands that are located within the City’s defined Downtown area to foster mixed-use development and promote a wider range of housing choices in the Downtown.