

# Lethbridge News – February 5, 2026

## Lethbridge needs 10,800 new homes by 2045: report

David Opinko – Feb 5, 2026



A new report shows that there is demand for people to live and do business in Lethbridge, but we will need more infrastructure to make that happen.

The City of Lethbridge Commercial and Industrial Study was conducted by MXD Development Strategies for Economic Development Lethbridge (EDL).

The purpose of the study, says EDL interim CEO Ben Young, was to identify market-supported development opportunities and create a strategy for supporting growth, optimizing land use, and strengthening the competitive position of Lethbridge.

“This study is a comprehensive effort to document and address opportunities to unlock economic growth while addressing priority areas for improvement that will help achieve this outcome,” says Young.

The report notes that the growth in Lethbridge’s population in the 2020s has outpaced other mid-sized cities in Alberta, rising by 4.16 per cent in 2024 to 111,400.

From a real estate perspective, it says the city suffered from “severe supply constraints,” with less than two months’ worth of housing supply in 2024. Housing construction rose by 194 per cent in 2024, and there was strong momentum in 2025, leading to housing supply increasing to 3.57 months as of January 2026.

Still, the report states that Lethbridge will need another 10,800 housing units by 2045 – a 26 per cent expansion of the current supply – to keep up with anticipated growth.

Business owners have been faced with rising rent prices as less than one per cent of spaces are available. A combination of population growth, relatively low unemployment, and a diversified economy means that competition for vacant buildings can be tough.

There is some good news, though, as the report’s authors anticipate 470,000 square feet of new retail space will be created over the next two decades.

Industrial companies are struggling with less than four per cent vacancy thanks to high demand, and the report says Lethbridge “is not in a position to fully capitalize upon these catalysts” as water infrastructure remains limited.

The City is moving ahead with upgrades to its Water Treatment Plant. The first phase of the expansion will increase water capacity from 150 million litres per day to 180 million, and future planned phases would further boost capacity to 250 million litres daily.

The report makes 10 recommendations:

1. Rank economic sectors by net benefit
2. Align high-priority sectors with funding and incentives
3. Synchronize workforce development with sector needs
4. Work with adjacent jurisdictions to create a fair share agreement with the Province of Alberta
5. Concentrate development at key corridors
6. Expand and align infrastructure with key corridors
7. Address housing typology imbalances and supply gaps
8. Publish an integrated implementation roadmap
9. Create a unified open data portal
10. Embed monitoring and evaluation metrics
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Young says addressing the recommendations provided offers a path to sustained prosperity and will help ensure Lethbridge continues to achieve outsized growth moving forward.

“We have had a chance to put some thought into how to address the items identified and look forward to working towards these goals with local partners in the weeks and months ahead. We know that we have a strong foundation to build upon but want to ensure we avoid complacency by ameliorating the items flagged for improvement as soon as possible,” says Young.