



**PUBLIC AGENDA  
STANDING POLICY COMMITTEE ON FINANCE**

**Monday, November 7, 2016, 2:00 p.m.**

**Council Chamber, City Hall**

**Committee Members:**

**His Worship Mayor C. Clark (Ex-Officio), Councillor C. Block, Councillor R. Donauer, Councillor B. Dubois, Councillor S. Gersher, Councillor A. Iwanchuk**

**Pages**

**1. CALL TO ORDER**

**2. APPOINTMENT OF CHAIR AND VICE-CHAIR**

City Council at its first meeting held on October 31, 2016, made the following appointments for November and December 2016:

**Standing Policy Committee on Finance**

Councillor C. Block

Councillor R. Donauer

Councillor B. Dubois

Councillor S. Gersher

Councillor A. Iwanchuk

The Committee is requested to appoint a Chair and Vice-Chair for the remainder of 2016.

**Recommendation**

That the Standing Policy Committee on Finance appoint a Chair and Vice-Chair for the remainder of 2016.

**3. CONFIRMATION OF AGENDA**

**Recommendation**

That the agenda be confirmed as presented.

**4. DECLARATION OF CONFLICT OF INTEREST**

**5. ADOPTION OF MINUTES**

**Recommendation**

That the minutes from the Regular Meeting of the Standing Policy Committee on Finance held on September 6, 2016 be adopted.

**6. UNFINISHED BUSINESS**

**7. COMMUNICATIONS (requiring the direction of the Committee)**

**7.1 Delegated Authority Matters**

- 7.1.1 Letter from Chris M. Guerette, CEO, Saskatoon & Region Home Builders' Association - Internal Audit - Saskatoon Land [File No. CK. 1600-24] 5 - 5**

**Recommendation**

That the information be received and referred to the file on the matter.

- 7.1.2 Letter from Kent Smith-Windsor, Executive Director - Greater Saskatoon Chamber of Commerce [File No. CK. 180-4] 6 - 6**

**Recommendation**

That the information be received and referred to the file on the matter.

- 7.1.3 Letter from Raymond Moriyama Regarding Meewasin Valley Authority Funding [File No. CK. 1870-10] 7 - 10**

**Recommendation**

That the information be received and forwarded to City Council for consideration during 2017 Business Plan and Budget deliberations.

- 7.1.4 Statement of Work - Assess Options for Additional Revenue Generation at City of Saskatoon [File No. CK 1600-12] 11 - 14**

The Statement of Work dated November 1, 2016 from Internal Auditors, PricewaterhouseCoopers LLP, is provided.

**Recommendation**

That the Statement of Work, dated November 1, 2016 from PricewaterhouseCoopers LLP, to assess options for additional revenue generation at the City of Saskatoon, be approved.

- 7.1.5 **City of Saskatoon Roads Maintenance Program Audit – Update/Dashboard [File No. CK 1600-17]** 15 - 25

The City of Saskatoon Roads Maintenance Program Audit – Update/Dashboard from Internal Auditors, PricewaterhouseCoopers LLP, is provided.

**Recommendation**

That the information be received.

**7.2 Matters Requiring Direction**

**7.3 Requests to Speak (new matters)**

**8. REPORTS FROM ADMINISTRATION**

**8.1 Delegated Authority Matters**

- 8.1.1 **Internal Audit Budget Information Update – October 2016 [File No. CK. 1600-3 and AF. 1600-1]** 26 - 30

**Recommendation**

That the information be received.

- 8.1.2 **Contract Award Report – May 1 to August 31, 2016 Contracts between \$50,000 and \$75,000 [File No. CK 1000-1 and AF 1000-1]** 31 - 33

**Recommendation**

That the information be received.

- 8.1.3 **Three-Year Land Development Report 2017 – 2019 [File No. CK. 4110-1, AF 4110-1, AF 4110-001, LA 4110-001]** 34 - 67

A brief PowerPoint presentation will be provided by the Administration.

**Recommendation**

That the information be received.

**8.2 Matters Requiring Direction**

**9. URGENT BUSINESS**

**10. MOTIONS (notice previously given)**

**11. GIVING NOTICE**

**12. IN CAMERA AGENDA ITEMS**

**Recommendation**

That the following items be considered *In Camera*.

**12.1 Land Matter [File No. CK 4110-1, x CK 1820-1, AF 4131-1 and LA 4110]**

*[In Camera - Economic/Financial - Land, Sections 17(1)d and (e)  
LAFOIPP]*

**12.2 Land Development [File No. CK 4110-32, AF 4131-1 and 4131-36-011]**

*[In Camera - Economic/Financial - Land, Sections 17(1)d and (e)  
LAFOIPP]*

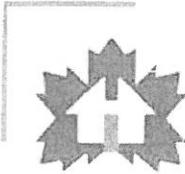
**12.3 Land Sales [File No. CK 4215-1, AF 4110-1 and LA 4110-1]**

*[In Camera - Economic/Financial - Land, Sections 17(1)d and (e)  
LAFOIPP]*

**13. ADJOURNMENT**

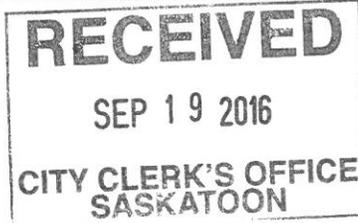
1600-54

Saskatoon & Region  
Home Builders'  
Association



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Saskatoon, SK S7J 3L8  
P: 306.955.5188

info@saskatoonhomebuilders.com  
www.saskatoonhomebuilders.com



September 16 2016

Joanne Sproule, City Clerk  
City Clerk's Office, City of Saskatoon  
222 3rd Ave North  
Saskatoon, SK, S7K 0J5  
Email: City.Clerk@Saskatoon.ca

Ms. Sproule,

I am writing on behalf of the Saskatoon & Region Home Builders' Association to congratulate the members of the Standing Policy Committee on Finance and City Council for their recent decision to allocate funds for an additional internal audit of the Saskatoon Land Bank.

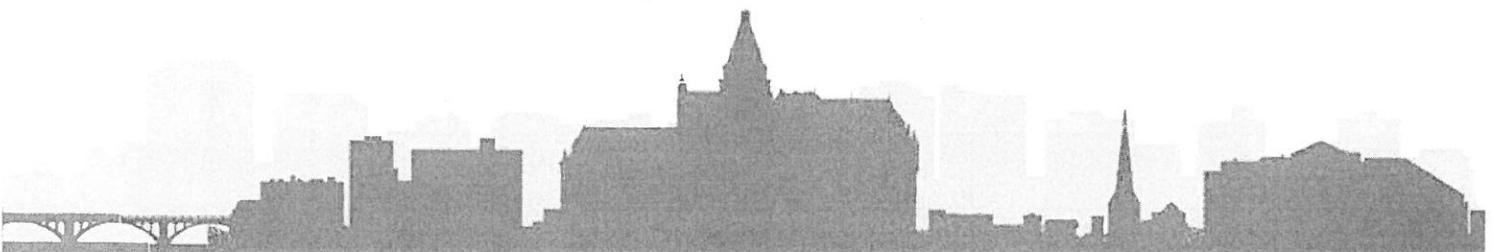
The Saskatoon Land Bank and the role that the City plays in Saskatoon's land development is unique, not only in our city but across the country. Our Association has long advocated that improvements to its model are necessary in order for our city to have a sustainable and affordable housing industry, and we see this audit as an important first step toward making these improvements

We are very pleased with the scope of this audit, and we are eagerly awaiting the results. Our Association is particularly well positioned to foster productive and informed discussions surrounding the way Saskatoon Land operates, and to help them continually improve the way they do business. We are more than happy to extend our expertise and comments to contribute to the creation of an action plan following its public release, or at the very least construct recommendations and solutions that will make for a stronger housing industry in our City.

Again, congratulations to City Council on their recent work. We look forward to working with the new City Council following the election to ensure we get this one right and complete the process.

Sincerely,

Chris M. Guérette  
CEO



September 8, 2016

His Worship Mayor Atchison  
and City Council  
City of Saskatoon  
222 3<sup>rd</sup> Avenue North  
Saskatoon, SK  
S7K 0J5



Dear Mayor Atchison & City Councillors:

Our Board of Directors supports the City Council's decision to review the Land Division and its associated policies. Our Chamber asserts this entity should move towards a reporting system that is more transparent. This audit is a first step and thank you for taking this step. Our Chamber requests that consideration be given to the provision of separate annual financial statements for the Land Division as part of the review.

We believe that an open reporting system with annual financial statements will improve investor confidence for developers who look to Saskatoon as a region of opportunity.

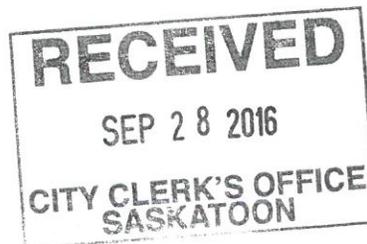
Thank you for considering this request.

Sincerely,



Kent Smith-Windsor  
Executive Director

**From:** Raymond Moriyama <rm@mtarch.com>  
**Sent:** September 28, 2016 1:47 PM  
**To:** ken.cheveldayoff@saskparty.com; peter.stoicheff@usask.ca; Web E-mail - City Clerks  
**Cc:** <premier@gov.sk.ca> <toddi.steelman@usask.ca>; Lloyd Isaak  
**Subject:** Meewasin Valley Authority funding



The Honourable Ken Cheveldayoff  
Minister of Parks, Culture and Sport  
Room 315, Legislative Building,  
2405 Legislative Drive  
Regina, SK S4S 0B3

Mayor Don Atchison & City Council  
222 Third Avenue North  
Saskatoon, SK S7K 0J5

Dr. Peter Stoicheff  
President's Office  
University of Saskatchewan  
212 Peter MacKinnon Building  
Saskatoon, SK S7N 5A2

Dear Sirs,

My name is Raymond Moriyama; I am the author of the 100 Year Meewasin Valley Study.

The study was considered a base for the Act that unanimously created the Meewasin Valley Authority. I was invited to Regina to witness this exciting 'awakening' with our two young sons. It was a momentous collaboration of the Province, the City of Saskatoon and the University, a 'partnership' to conserve and develop a 60 kilometres of South Saskatchewan River with a vision of 'environmental sustainability: Health, Fit and Balance' for the stewardship of the river valley. It was a concept to propel, sustain and enhance a valuable regional asset in an arid part of Canada at a shared low-cost. Over the last 37 years, Meewasin has become essential to the image, quality of life and development of the region and the city of Saskatoon and it has received a very high level of public support and participation.

George Stockton, who worked closely with me on this 100 Year Study, is invited by the UN for the third time to speak about the restoration of a virtually dead river valley, Wadi Hanifa, a 124 kilometre wadi that has been brought back to life and has become the major green urban open space in the Capital City of Riyadh, Saudi Arabia. This time he will be speaking together with the Minister of Environments of Saudi Arabia. UN is extremely interested in what George and the Minister have to say because everyday thousand of acres of land are becoming deserts worldwide. George, as a representative of Moriyama & Teshima Planners Canada, as I understand, will be making reference to our study and the unique Meewasin Valley Authority as a pioneering human, cultural and environmental success.

I am distressed to hear what the Province is contemplating. In my mind and in world perspective, it would be considered suicidal. To reduce or cut the funding to MVA and its activities is being blind to the benefit to the people of Saskatchewan on the long term, their children and their children, not to mention the people today. It is not just the physical attributes, the educational and cultural development around Meewasin will continue for generations as well as the social and economic benefits.

At a time of rapid climate change, Meewasin is even more important as an enlightened guide to prairie sustainability: a grave mistake today will bring generations of worldwide shame to the reputation of the Saskatchewan Government, the City, the University.

Sincerely,

Raymond Moriyama

C.C., O.ONT., O.R.S.,

Int. FRIBA, Hon.FAIA,

FRAIC, RSA, M. Arch.

cc: The Honourable Brad Wall

Premier of Saskatchewan

Room 226 Legislative Building

2405 Legislative Drive

Regina, SK S4S 0B3

Dr. Toddi Steelman, Chair

Meewasin Valley Authority

402 Third Avenue South

Saskatoon, SK S7K 3G5

Lloyd Isaak, CEO

Meewasin Valley Authority

402 Third Avenue South

Saskatoon, SK S7K 3G5

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# *Statement of Work*

Assess options for additional revenue generation at City of Saskatoon

Submitted on November 1, 2016 for SPCF Meeting on November 7, 2016



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**Recommendation:**

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| <b>1) That the enclosed Statement of Work be approved.</b> |
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## 1. *Scope, Approach & Limitations*

As part of the risk assessment exercise conducted by Internal Audit and Corporate Risk with Administration and Council in the first half of 2015, the lack of alternate revenue sources and the resulting heavy reliance on property taxation revenue was identified as a high risk area. As a result, Internal Audit will assess potential options with respect to additional revenue generation. Our advisory project be performed as follows:

1. Identify ideas from which the City could generate new revenue or optimize (increase) current revenue.
2. Provide an impact analysis which addresses potential pros and cons of each idea as well as an estimated dollar impact for the City.
3. Identify the current process in place to capture revenue generation ideas across the City.
4. For ideas identified in 1., compare to Canadian municipalities to identify the extent to which other municipalities may have wholly or partially implemented the idea, or some variant of the idea, already and the additional revenue they were able to generate (subject to availability of information).

For the purposes of this project, we expect to work with Asset and Financial Management and Corporate Risk and a cross-section of other divisions at the City of Saskatoon which have relevance to the ideas.

## 2. *Timeline and Deliverables*

Dates are estimates and may change, based on availability of information and both City of Saskatoon and PwC resources.

<b>Deliverable</b>	<b>Details</b>	<b>Projected Delivery Date</b>
<b>Preliminary Observations and Recommendations to Review</b>	Key observations and recommendations from the project will be discussed with the key contacts from Asset and Financial Management and Corporate Risk: Kerry Tarasoff, Clae Hack and Nicole Garman.	January 2017
<b>Draft Report to Management</b>	Draft report provided to the key contacts from Asset and Financial Management and Corporate Risk: Kerry Tarasoff, Clae Hack and Nicole Garman.	February 2017
<b>Final Report to SPCF</b>	Final report to SPCF in-camera during a 10-15 minute presentation followed by question period.	March 2017

We will communicate our progress to the key contacts throughout the project and will arrange status update meetings as necessary to discuss any issues which may arise. We will also work closely with the key contacts to ensure that there is minimal duplication of efforts between the PwC team and Administration as there are a number of potential revenue generation options already in various stages of examination by Administration.

## 3. *Key Contacts*

The key contacts for this project are:

- Kerry Tarasoff, Chief Financial Officer, Asset and Financial Management
- Clae Hack, Director of Finance, Asset and Financial Management
- Nicole Garman, Director of Corporate Risk

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## 4. Budget

Our fees are based on actual hours incurred by PwC staff, at the below agreed upon hourly billing rate in the Internal Audit Services Agreement dated January 1, 2015. In accordance with the approved 2016 Internal Audit Plan, we estimate that our fees for the completion of our services under this Statement of Work will be \$62,000 plus out of pocket expenses and applicable taxes, which will be charged on an actual basis.

<b>Role</b>	<b>Expected Hours</b>
Engagement Partner	15
Quality Assurance Partner	10
Engagement Manager	225
Senior Auditor	75
Auditor	75
<b>Total</b>	<b>400</b>

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# ***City of Saskatoon*** Roads Maintenance Program Audit – Update/Dashboard

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*SPCF Public Meeting*

*November 7, 2016*



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# *Contents*

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# ***Background***

## ***Roads Maintenance Program Audit***

The Roadways audit project was initially presented to SPCF in February and March of 2016. The intent of the project was to determine whether those divisions which act as custodians of the roadways and are entrusted with executing on spending are achieving economy, efficiency and effectiveness in the manner in which they are operating. Within the report were 8 specific findings and recommendations. In a document named “Administration Response and Timelines – PwC Roads Maintenance Program Value for Money Report” dated April 4, 2016, the City of Saskatoon Administration provided detailed responses and timelines for full implementation to each of the 8 recommendations. Note that 1 of the 8 items is complete and the remaining 7 items are on-track.

## ***Internal Audit Services Agreement***

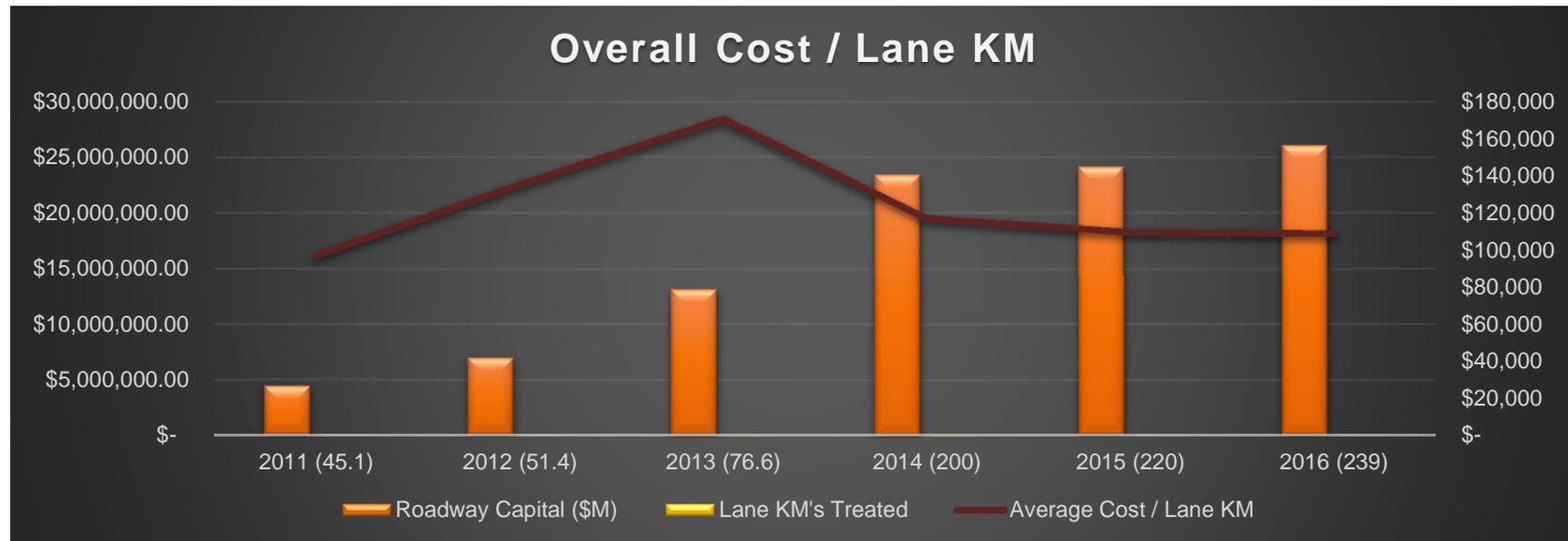
The Internal Audit Services Agreement dated January 1, 2015 between the City of Saskatoon (the “City”) and PricewaterhouseCoopers LLP (“PwC”) requires that PwC provide “tracking of management’s remediation effort on previously reported findings”. This Update/Dashboard document satisfies that requirement as well as provides updates on key efficiency, effectiveness and economy findings initially reported for 2015 in the March 2016 report.

# Economy

## Is Spending Providing Highest Potential Value?

### Major Projects Capital Roadway Funding and Lane KM Treated (2011-2016)

The following chart illustrates the total spending from 2011 to 2016 as well the cost per lane kilometre of the treatments. Note that 2016 figures represent forecasts based on actuals as of October 20, 2016.



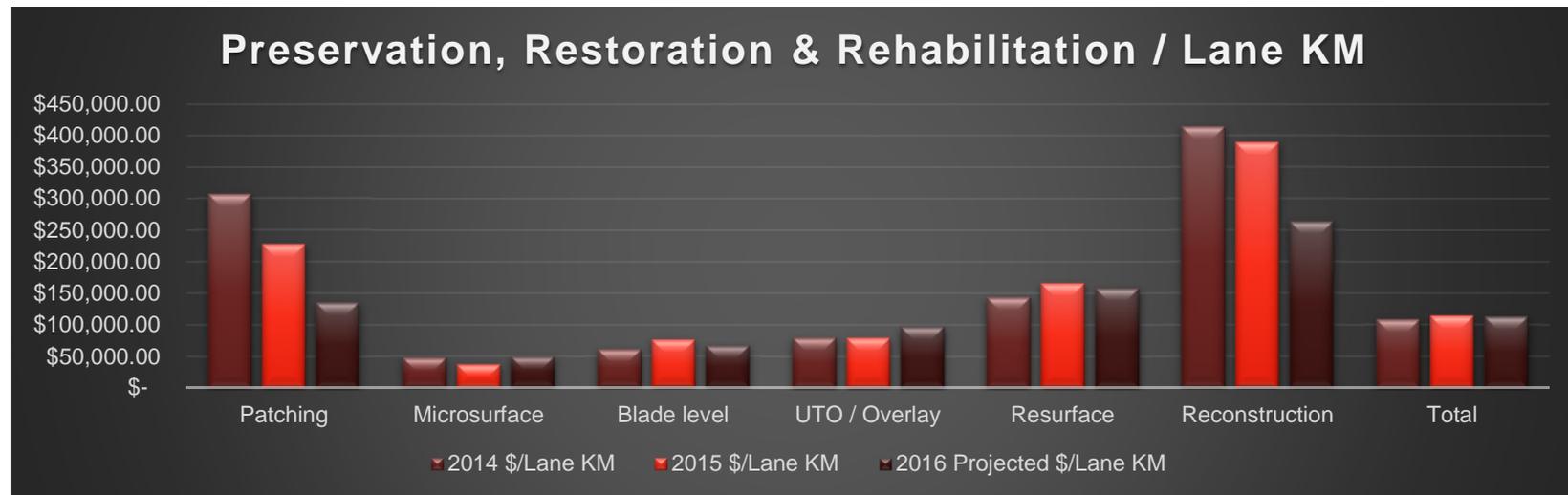
As of October 20, 2016, the forecast for the full 2016 year was to complete 239 lane KM’s at a cost of approximately \$26.04 million. At this rate, the projected cost per lane KM is approximately \$109,000, which is slightly less than the \$110,000 for 2015 and the \$117,000 in 2014. Overall, the cost per lane KM has decreased significantly since 2012 and 2013. The report in March 2016 indicated that the City’s trends in cost per lane KM were within reasonable parameters when compared to comparable municipalities reporting in the Municipal Benchmarking Network Canada (MBNCanada) Performance Measurement Reports. The most recently available MBNCanada Performance Measurement Report is for 2014.

# Efficiency

## Is the Roadways Program Operating Efficiently?

### Road Preservation, Restoration and Rehabilitation Spending (2014-2016)

The following chart highlights work undertaken by Major Projects for roadway treatment and compares the years 2014 through 2016, which represent the years of significant investment. Note that 2016 figures represent forecasts based on actuals as of October 20, 2016. Note also that certain less significant treatments unique to only one fiscal year (i.e. paver lay) were excluded from the analysis.



On a total basis, the results when comparing 2014 to 2015 were consistent, suggesting that efficiency was maintained year-over-year in the first two years of significant roadways investment. All else being equal, if the costs per lane KM had been exactly the same in 2015 as in 2014, the cost of treating the 2015 suite of lane kilometres would have been approximately \$0.2 million or 1% less. On a total basis, the same consistency exists when comparing 2015 to 2016, suggesting that efficiency has been maintained across the 3-year period from 2014 to 2016. All else being equal, if the costs per lane KM had been exactly the same in 2016 as in 2015, the cost of treating the 2016 suite of lane kilometres would have been approximately \$0.3 million or 1% more.

Note that significant efficiencies appear to have been achieved from 2014 to 2016 in patching and reconstruction. These efficiencies have less of an impact on the total cost per lane kilometre of the program as although they are the most expensive treatments on a per lane KM basis, they also represent a relatively insignificant portion of the total lane KM's treated each year (less than 10%).

# *Effectiveness*

## Is the Road Program Meeting Goals and Objectives?

### *Condition Ratings*

Condition ratings are perhaps the most crucial measure when assessing the effectiveness of the Road Maintenance Program. There have been no updates in this area since the initial PwC report was released in March 2016. In 2014, a full condition assessment of the entire paved roadway network within the City was undertaken. The target city wide rating cycle for all paved roadways in Saskatoon is every four years. A total of 64.9% of the City's roadways were scored within the highest 2 categories of the Pavement Condition Index (PCI). The condition ratings for Saskatoon compare favourably with data available from MBNCanada Performance Measurement Reports from 2008 through 2014, which identify the % of paved lane KM where the condition rating is "good" to "very good". The MBNCanada single-tier (municipalities responsible for maintaining all types of roads, including arterial, collector and local roads and, in some cases, expressways and laneways) median increased from 51% to 54% over the period from 2008 to 2014. Calgary is an example of a leading municipality in terms of condition ratings with a measure of 81% in 2014.

# Updates to Recommendations and Timeline

## Administration Response and Timelines

In a document named “Administration Response and Timelines – PwC Roads Maintenance Program Value for Money Report” dated April 4, 2016, the City of Saskatoon Administration provided detailed responses and timelines for full implementation to each of the 8 recommendations identified by PwC in its report. A specific follow-up report on the status of all audit recommendations is now required, which is outlined below. Note that 1 of the 8 items is complete and the remaining 7 items are on-track.

## Summary of Recommendations, Responses, and Implementation Timelines

Summarised Response	Initial Timeline for Full Implementation	Updates to Timeline for Implementation	Status
1) PwC recommends that administration implement activity-based budgeting using detailed inventory unit costs to develop annual spring/summer road maintenance budget.			
Administration agrees. Activity based budgeting (“ABB”) will also require documented levels of service.	<p>Winter service levels were updated and approved in 2015. Levels of service are currently being developed and will be submitted to Committee and Council throughout 2016 and 2017, with the final item submitted by August 2017.</p> <p>For the next 5 year period, Roadways will use existing systems to achieve this objective. A portion of the 2017 operating budget will be developed using ABB and for the 2018 budget, the entire Roadways budget will be activity based.</p>	<p>Roadways and Operations has been tracking job numbers and activities in Timberline.</p> <p>Winter Levels of Service have been refined and updated for the winter of 2016/17. The city is piloting tracking systems for automating the capture of winter maintenance activities to support winter activity based budgeting.</p> <p>Major Projects conducts annual asset inspections that are currently used to build annual preservation programs. For the 2018 budget cycle, Roadways and Operations will develop needs based budgets and planned maintenance activities for each asset group based on these inspections.</p> <p>Roadways and Operations is using existing systems for capturing activities and associated costs. In the summer of 2017, activities will be tracked and entered to develop accurate costs and quantities to enable needs based models for 2018.</p>	<b>ON-TRACK</b>

- 2) PwC recommends that spending decisions be reviewed in a holistic manner and that adequate levels of work be coordinated with the desired level of service to ensure adequate planning from the onset.

<p>Administration agrees. Program specific levels of service will enable the operations to determine the correct labour, equipment and materials resourcing requirements to achieve adequate work levels.</p>	<p>By October of 2017, a formal process will be developed which will outline how in-year budget adjustments are made considering budget status and documented service levels.</p>	<p>Roadways and Operations is investigating Decision Analyses models for integration into in-year budget adjustment decisions. These models will use historical information to assess financial risk distributions and guide decision making to inform the administration on the lowest risk alternatives for reducing budgets, and the highest opportunity alternatives for allocating cost savings.</p> <p>A formal process to inform and track in-year adjustments will be developed for October 2017.</p>	<p><b>ON-TRACK</b></p>
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- 3) PwC recommends that a formal detailed activity-based annual maintenance plan be developed which factors in new roads as far in advance as possible and contains an appropriate mix of strategic preventative maintenance and anticipated reactive maintenance.

<p>Administration agrees. A formal maintenance plan is currently being developed to determine the best practices of what, where and when roadway treatments are most effective for longevity, efficiency and effectiveness.</p>	<p>A proactive maintenance strategy is underway through the development of defined levels of services. In concert with the timelines for documented service levels and ABB methodology, the 2017 budget will be partially (approximately 50%) activity based. For 2018, the entire budget will be activity based and all maintenance activities related to preservation of assets will be coordinated.</p>	<p>Roadways and Operations will be using inspection data to develop needs based budgets and maintenance plans by asset group for the 2018 summer season. This will incorporate summer levels of service and basic safe operating requirements for each infrastructure type. Major Projects incorporates activity based maintenance planning into their annual preservation program based on inspection data.</p>	<p><b>ON-TRACK</b></p>
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- 4) PwC recommends that Public Works and Major Projects increase their formal level of communication and the synchronization of their planning and reporting to reduce inefficiencies relating to planning and coordination and redundancies of work performed.

<p>Administration agrees. The action plan is to work closely together to create mutually beneficial programs using the network condition data and historical treatment data that was collected as a driver for both programs.</p>	<p>Major Projects and Public Works currently meet regularly to discuss and develop proactive maintenance and preservation initiatives and plans. The groups will continue to communicate and work together with the ultimate goal to create mutually beneficial programs and reduce inefficiencies that might exist between the two programs.</p>	<p>This item has been achieved and is being sustained through regular meetings between functional groups.</p>	<p><b>COMPLETE</b></p>
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- 5) PwC recommends that any future ERP system implemented allows for a completely integrated solution to allow Public Works to adequately track their activities, costs, time spent on projects and any other relevant details.

<p>Administration agrees. Tracking of maintenance costs, along with the locations treated, needs to be integrated into a common system, allowing for more information to be better utilised as a decision making tool or trigger when selecting roads for surface treatment.</p>	<p>An ERP evaluation project is currently underway. Monthly project status updates continue, helping ensure coordination and awareness. At time, an implementation date of May 2021 is estimated for Roadways. In the interim, existing systems will be used to satisfy this recommendation, along with increased formal coordination.</p>	<p>An ERP evaluation project is currently underway. Monthly project status updates continue, helping ensure coordination and awareness. At this time, an implementation date of May 2021 is estimated for Roadways. In the interim, existing systems will be used to satisfy this recommendation, along with increased formal coordination.</p>	<p><b>ON-TRACK</b></p>
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- 6) PwC recommends that prioritized, proactive full life cycle planning begin to be implemented on a go-forward basis for new roadways infrastructure in which the scope of Public Works and Major Projects scope of responsibilities for maintenance, preservation and rehabilitation is further defined.

<p>Administration agrees.</p>	<p>An Asset Management Plan is being developed to document and identify the groups responsible for each component of the life cycle of the asset from planning to salvage. The next step will be to develop a life cycle plan for our roadway assets and implement a proactive asset management plan by utilizing the appropriate treatments to extend the life cycle of the infrastructure in a cost effective manner. Although interim reports will be brought forward, this is a significant undertaking and is expected to be fully complete by September 2018.</p>	<p>This item is progressing and we are on track to have these tasks implemented by the end of 2018.</p>	<p><b>ON-TRACK</b></p>
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- 7) PwC recommends that Public Works maintain sufficient engineering technologists to ensure all projects are being reviewed for quality.

<p>Administration agrees. Engineering technologists have been hired as temporary inspectors in recent years to</p>	<p>Two engineering technologist 12-month temporary postings are currently in place with an additional two 6-month temporary postings to be hired in May 2016. This is the</p>	<p>Engineering technologists have been in place for most of 2016 and have been integrated into program design and execution within Roadway and Operations. Technical staff have been performing ongoing QA/QC</p>	<p><b>ON-TRACK</b></p>
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achieve this objective. Going forward, these positions will be expanded to ensure that quality control (QC) and quality assurance (QA) continue to be a primary focus. The inclusion of QA and QC into the tender process is currently in development and will be included in the 2016 spring tenders.

second year in which technologists have been used in this capacity. The summer 2016 positions will be focused on QA and QC, as well as project management and coordination of the Utility Cut Program.

Transportation & Utilities will be evaluating the impact of these temporary positions and expects to bring forward a staffing request in the 2017 budget.

for new and existing programs.

In conjunction with the completion of Job Safety Hazard Assessments, Roadways and Operations will be creating Standard Operating Procedures for key work activities. This will capture best practices from both the quality and safety perspectives. Ongoing review and update of these procedures will support continuous quality improvement.

- 8) PwC recommends that vendor pre-qualification criterion be drafted to ensure that vendors of the desired quality be awarded the respective tenders.

Administration agrees. An information report will be submitted in Q1 2016 providing an update on the changes being made for 2016. Best practices will be followed, including implementation of a system that measures and pre-qualifies contractors based on financial, quality, safety and delivery performance metrics.

In both the 2015 and 2016 construction seasons, more extensive use of RFP's and pre-qualification processes was used. Examples include water main lining (2015) and the Broadway construction work (2016), which both were procured using a prequalification process.

A report to Committee will be brought forward by June 2016 which will provide information on a broader prequalification process, and will provide an update on an RFP to be issued seeking a formal prequalification system and process. This system is expected to be in place for the 2017 season for priority contracts.

During the 2016 construction season a manual prequalification RFQ process was used on strategic or high risk projects. In June 2016 a report to Council was brought forward and approved. Manual prequalification via RFQ will continue to be used into the 2017 season. The RFP has been written and is expected to be issued in Q4 2016 and will be phased in over 2017 and continue rollout through to 2020.

**ON-TRACK**



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## Internal Audit Budget Information Update – October 2016

### Recommendation

That the information be received.

### Topic and Purpose

This report provides an update on the expenditures to date for internal audit services provided by PricewaterhouseCoopers (PwC).

### Report Highlights

1. Expenditures are within budget parameters.

### Strategic Goal

Efficient and effective performance of internal audits supports the long-term strategy of being more efficient in the way the City of Saskatoon (City) does business under the Strategic Goal of Continuous Improvement.

### Background

City Council budgeted \$427,000 for internal audit services for 2016. This is the second year of the five-year contract with PwC.

### Report

There are currently three internal audit projects being conducted by PwC. The Resource Scheduling audit and the Operating and Life Cycle Costs audit were approved by the Standing Policy Committee on Finance in the summer of 2016. Audit fieldwork is currently underway with draft reports expected to be delivered to the Administration for review before the end of the year.

The Revenue Generation audit is nearing the end of the planning stage and a Statement of Work will be submitted for approval at the November 7, 2016 meeting. As of October 15, 2016, 56% of the total budgeted internal audit hours for the year have been completed.

The Standing Policy Committee on Finance also approved two additional consulting projects – Saskatoon Land Division, and Multi-Year Business Planning and Budget Review. Both projects are well underway, and reports are expected to be tabled at the end of 2016/early 2017. As of October 15, 2016, 60% of the total budgeted consulting project hours for the year have been completed.

All operating funding has been fully allocated to specific audit and consulting projects.

Attachment 1 provides detailed information regarding each project.

### Due Date for Follow-up and/or Project Completion

A budget information update report will be submitted monthly to the Standing Policy Committee on Finance.

**Public Notice**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

**Attachment**

1. Internal Audit Budget Status Report

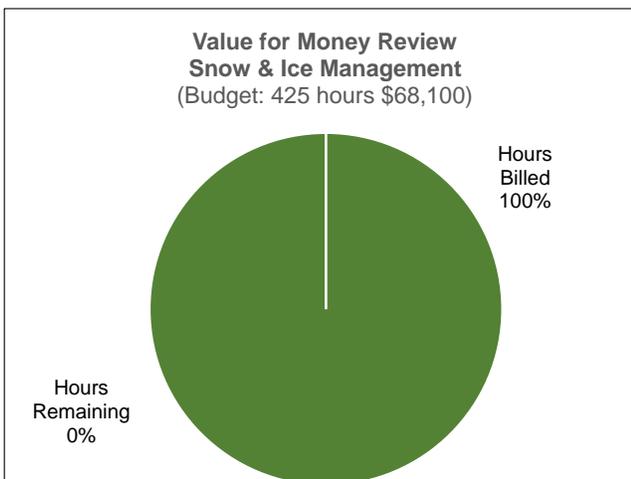
**Report Approval**

Written by: Nicole Garman, Director of Corporate Risk  
Approved by: Kerry Tarasoff, CFO/General Manager, Asset & Financial  
Management Department

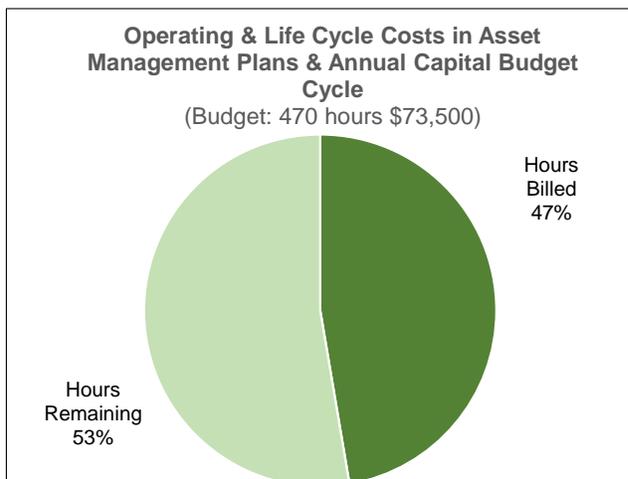
Internal Audit Budget\_Oct 2016.docx

# Internal Audit Budget Status Report

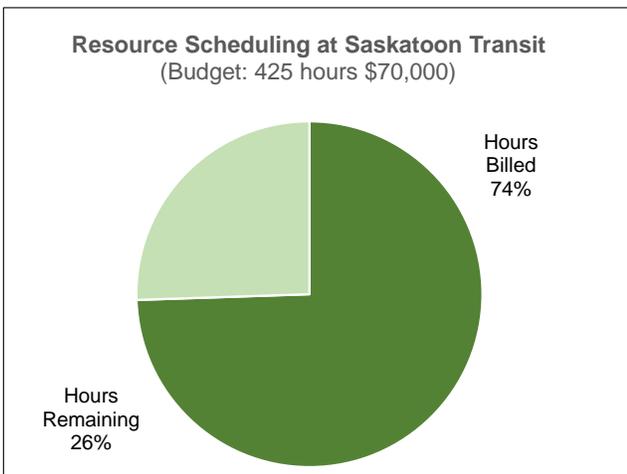
## Internal Audit Projects



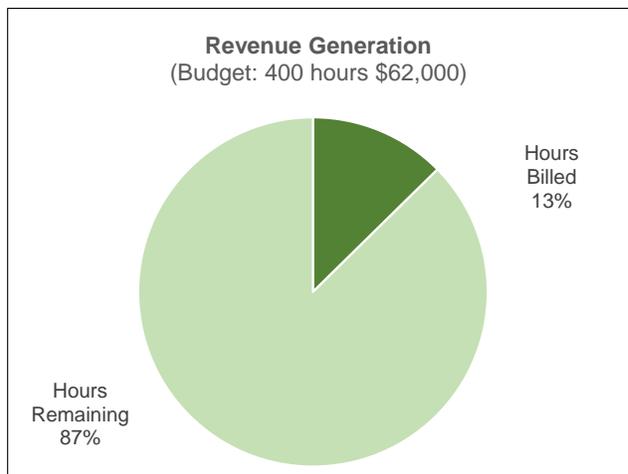
**Notes:** Statement of Work approved January 4, 2016. Audit report presented to SPC on Finance September 6, 2016. Administration agreed with all 21 findings - 2 high, 14 moderate and 5 low.



**Notes:** Statement of Work approved August 15, 2016. Initial audit fieldwork complete and framework presented to Administration in October 2016. Layering of proposed framework onto existing practices and providing illustrative example of functioning framework to be provided to Administration by December 31, 2016. Anticipated reporting to SPC on Finance late 2016/early 2017.



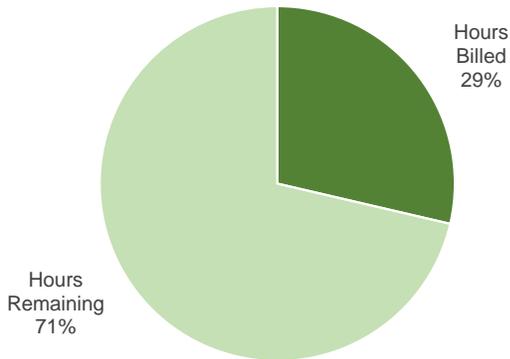
**Notes:** Statement of Work approved July 18, 2016. Audit fieldwork completed in September 2016. Initial findings and recommendations presented to Transit early October 2016. Full report being drafted for Administration review November 2016. Anticipated reporting to SPC on Finance late 2016/early 2017.



**Notes:** Statement of Work to be presented for approval November 7, 2016. Initial audit planning and scoping is complete and bulk of fieldwork will be completed in the last months of 2016. Anticipated reporting to SPC on Finance early 2017.

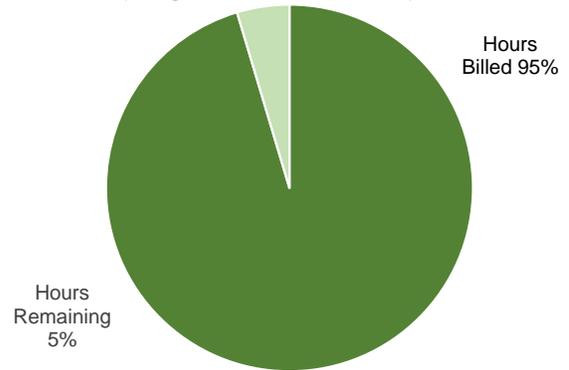
## Additional Consulting Projects

**Saskatoon Land Division**  
(Budget: 590 hours \$113,500)



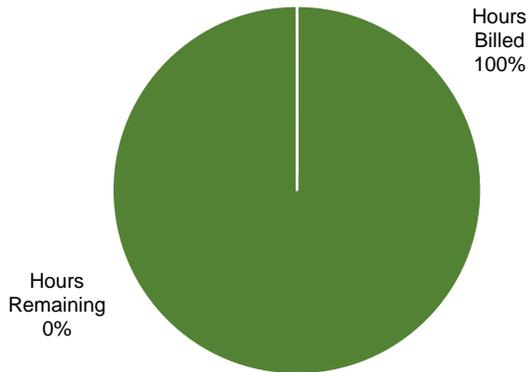
**Notes:** Statement of Work approved August 15, 2016. Compliance based objective is substantially complete, other objectives are in progress. Initial draft of report to be presented to Administration November 2016. Anticipated reporting to SPC on Finance late 2016/early 2017.

**Multi-Year Business Planning & Budget Review**  
(Budget: 379 hours \$70,700)



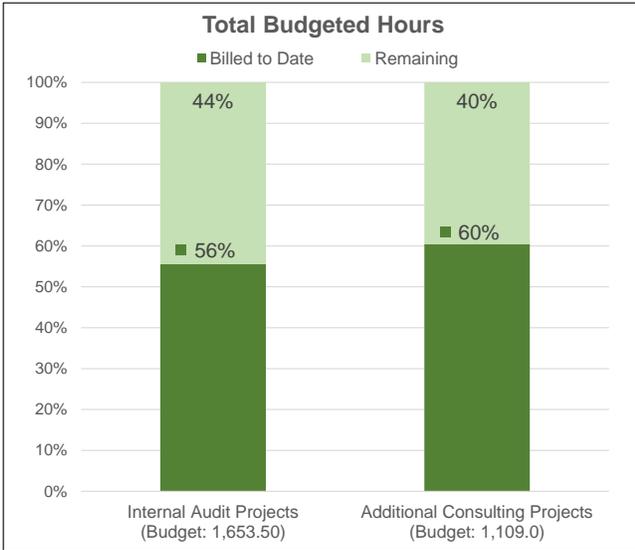
**Notes:** Statement of Work approved August 15, 2016. Initial project fieldwork substantially complete. Preliminary observations and recommendations presented to Administration in early October 2016. Anticipated reporting to SPC on Finance late 2016/early 2017.

**Corporate Payroll**  
(Budget: 140 hours \$31,590)

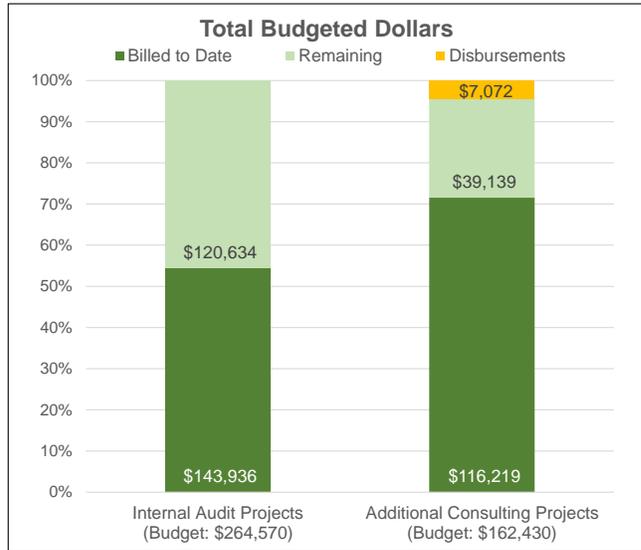


**Notes:** Conducted by former internal audit service provider.

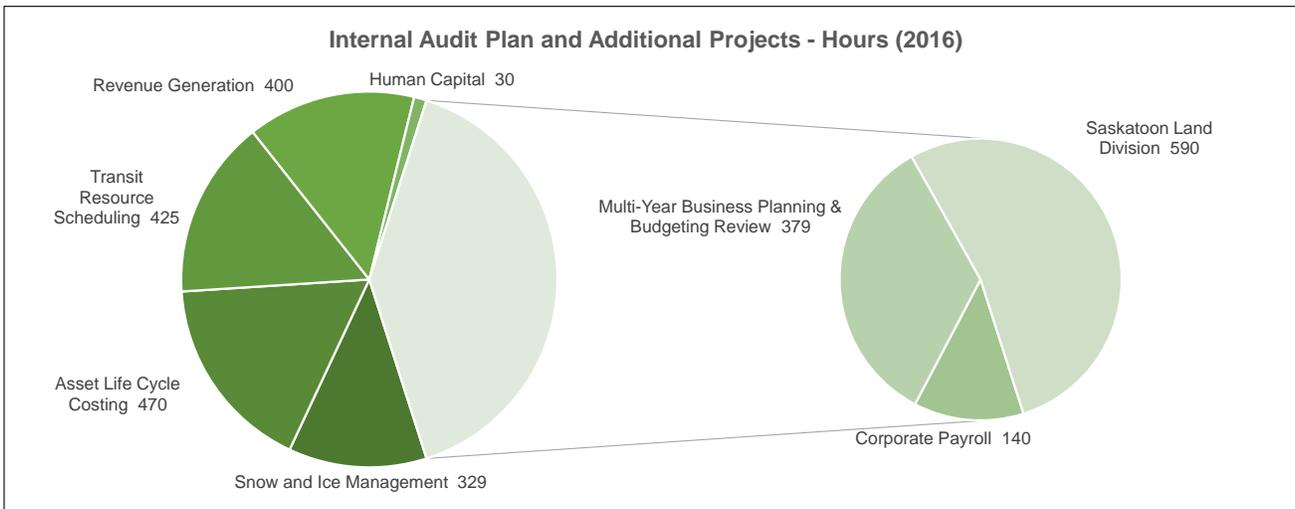
## Overall Internal Audit Program



**Notes:** A total of 918.0 hours of internal audit work and 670.5 hours of additional consulting work have been billed to date.



**Notes:** A total of \$267,227 has been billed to date for internal audit services, consulting services and disbursements. This represents 63% of the total operating budget for 2016.



**Notes:** The Internal Audit Program operating budget has been fully allocated to specific audit and consulting projects.

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## **Contract Award Report – May 1 to August 31, 2016 Contracts between \$50,000 and \$75,000**

### **Recommendation**

That the information be received.

### **Topic and Purpose**

The purpose of this report is to provide the Standing Policy Committee on Finance with information regarding competitive and sole source contracts between \$50,000 and \$75,000 from May 1 to August 31, 2016.

### **Report Highlights**

1. Competitive contracts totaled just over \$1.8 million, and sole source contracts totaled just over \$487,000.

### **Strategic Goal**

This report supports the Strategic Goal of Asset and Financial Sustainability through the open, accountable, and transparent disclosure of the award of contracts.

### **Report**

In accordance with Council Policy No. C02-030, Purchase of Goods, Services and Work, the Administration is required to report three times per year on the award of contracts and requests for proposals between \$50,000 and \$75,000. Attachment 1 is a detailed list of the competitive contract awards, and Attachment 2 is a detailed list of the sole source contract awards, both for the period May 1, 2016 to August 31, 2016.

### **Due Date for Follow-up and/or Project Completion**

The next contract award report will be tabled in February 2017 for the period September 1, 2016 to December 31, 2016.

### **Public Notice**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

### **Attachments**

1. Competitive Contracts – May 1, 2016 to August 31, 2016
2. Sole Source Contracts – May 1, 2016 to August 31, 2016

### **Report Approval**

Written by: Linda Leedahl, Purchasing Services Manager  
Reviewed by: Linda Rauckman, Director of Materials Management  
Approved by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management Department

Contract Award Report May to Aug 2016.docx

**Competitive Contracts Between \$50,000 - \$75,000  
for the Period May 1, 2016 to August 31, 2016**

Date	Project Title	Department	Contractor/Supplier	Contract Amt
16/06/09	Cosmo Civic Centre Ice Plant Computer Control System	Asset & Financial Mgmt.	Cimco Refrigeration	\$ 50,314.95
16/06/13	LED Lighting Installation - Kinsmen Arena	Asset & Financial Mgmt.	Aim Electric Ltd.	\$ 50,347.50
16/06/13	Overhead Vertical & Horizontal Distribution Switches	Transportation & Utilities	Eecol Electric (Sask) Inc.	\$ 52,181.80
16/08/04	Handi-Ring for Meters	Transportation & Utilities	Jesstec Industries Inc.	\$ 52,250.00
16/06/10	Janitorial Supplies	Asset & Financial Mgmt.	Unisource Canada Inc.	\$ 53,000.00
16/06/10	Janitorial Supplies	Asset & Financial Mgmt.	Bunzl Canada	\$ 53,800.00
16/08/30	Tree Grate Cutting & Cleaning	Community Services	B & B Tree Service Inc.	\$ 55,114.50
16/06/09	Marquis Valve Chamber Deficiency Repair	Transportation & Utilities	Garnett Industries Ltd.	\$ 55,965.00
16/06/29	25th St & Idylwyld Storm Sewer Repair	Transportation & Utilities	Hamm Construction	\$ 56,095.00
16/05/20	Fibre Optic Cables	Transportation & Utilities	Noramco	\$ 57,232.50
16/06/09	SEL Remote Terminal Units	Transportation & Utilities	Powernet Measurement & Control Ltd.	\$ 57,278.57
16/06/30	Consulting services for design drawings for landscaping of Kensington Village Square Park and adjacent streetscaping	Asset & Financial Mgmt.	Stantec Consulting	\$ 59,535.00
16/05/02	22nd St Median - Whitney to Circle	Community Services	Keystone Paving Corporation	\$ 61,500.22
16/06/01	Chief Whitecap Park North Parking Lot	Community Services	Wilco Contractors Southwest Inc.	\$ 62,065.50
16/07/21	Concrete Manhole Grade Rings & Barrels	Transportation & Utilities	Expocrete Concrete Products Ltd.	\$ 62,500.00
16/05/06	Compost Bins and Rain Barrels	Asset & Financial Mgmt.	Saskatoon Co-op Centre	\$ 63,000.00
16/07/04	Turf Sweeper	Asset & Financial Mgmt.	Clarks Supply & Service Ltd	\$ 63,690.00
16/05/02	2016 Material Testing	Transportation & Utilities	Englobe	\$ 64,050.00
16/05/11	Used Mobile Unit	Saskatoon Police Service	Sunridge R.V.	\$ 64,050.00
16/07/25	Used/Demo 80 PTO HP Tractor	Asset & Financial Mgmt.	Full Line Ag	\$ 64,637.00
16/08/16	Shelterbelt Tree Maintenance	Community Services	B & B Tree Service Inc.	\$ 64,890.00
16/08/16	VMWARE (Desktop Software)	Saskatoon Police Service	Esti Consulting Services	\$ 65,832.78
16/05/31	1A License Training	Transportation & Utilities	Trans Industrial Safety Training	\$ 66,885.00
16/08/05	Radar Detection Systems	Transportation & Utilities	Interprovincial Traffic Services Ltd.	\$ 67,599.00
16/07/13	Self-Propelled 2WD Diesel-Powered HD Utility Vehicle	Community Services	Oakcreek Golf & Turf LP	\$ 67,905.20
16/05/26	IT Storage	Corporate Performance	Horizon Computer Solutions Inc.	\$ 69,432.00
16/06/01	2016 Turf Maintenance Services	Asset & Financial Mgmt.	Load 'Em Up Hauling	\$ 70,000.00
16/06/23	3200 LB Skid Steer	Asset & Financial Mgmt.	Earthworks Equipment Corporation	\$ 72,448.13
16/07/04	Mid-Sized SUVs	Asset & Financial Mgmt.	Merlin Ford Lincoln	\$ 73,254.16
16/05/31	Electrical Supplies Blanket Order for WTP	Transportation & Utilities	Eecol Electric (Sask) Inc.	\$ 75,000.00
<b>Total</b>				<b>\$ 1,851,853.81</b>

**Sole Source Contracts Between \$50,000 - \$75,000  
for the Period May 1, 2016 to August 31, 2016**

<b>Date</b>	<b>Project Title</b>	<b>Department</b>	<b>Contractor/Supplier</b>	<b>Contract Amt</b>
16/07/15	Liftmoore Hydraulic Cranes	Asset & Financial Mgmt.	General Body & Equipment	\$ 50,875.00
Policy Section 4.3(a) Proprietary rights (sole authorized distributor) and 4.3(b) Standardization/compatibility. General Body & Equipment is the sole authorized distributor for this equipment. This brand of hydraulic cranes is needed for standardization as the City currently has 34 of these units in fleet.				
16/08/30	Replace Engine Hood - Unit 2121	Asset & Financial Mgmt.	Redhead Equipment	\$ 51,775.25
Policy Section 4.3(a) Proprietary rights (sole authorized distributor). Redhead Equipment is the sole authorized Case construction equipment dealer. Repair work was required on a Case wheel loader.				
16/06/15	Playground Equipment & Site Furniture for Park Enhancements in Lakeview Park	Community Services	Playworks, Inc.	\$ 59,820.20
Policy Section 4.3(d) Emergency purchase. The community association requested this play equipment and site furniture, and needed to have the equipment purchased and installed in a particular time frame in order to qualify for certain grant funding.				
16/05/16	Heavy Equipment Accessories	Transportation & Utilities	Redhead Equipment	\$ 61,702.10
Policy Section 4.3(a) Proprietary rights (sole authorized distributor) and 4.3(b) Standardization/compatibility. Redhead Equipment is the sole authorized distributor for Volvo and Case equipment that was purchased and necessary for compatibility with existing equipment.				
16/07/18	Replace Falling Wall Targets in 50m Pool - Shaw Centre	Asset & Financial Mgmt.	Priority SS	\$ 63,195.00
Policy Section 4.3(d) Emergency purchase. This work needed to be completed during the planned shutdown of the pool. The Canadian distributor of the Shaw Centre pool system could only provide one Myrtha certified installer due to other companies in the industry performing work for the Olympics.				
16/08/04	Sander Control Module & Accessories	Transportation & Utilities	Bosch Rexroth Canada Corp.	\$ 63,579.46
Policy Section 4.3(a) Proprietary rights (sole authorized distributor) and 4.3(b) Standardization/compatibility. The City's sander fleet is standardized on the Bosch Rexroth control system so this equipment was purchased for standardization and compatibility.				
16/05/20	Raw Water Intake Rails & Screen Modification	Transportation & Utilities	Atlas Industries Ltd.	\$ 66,877.89
Policy Section 4.3(d) Emergency purchase. An annual diving inspection revealed screen damage beyond repair. In order to maintain raw water capacity, the rails needed immediate replacement.				
16/06/23	Motorola Parts & Materials	Asset & Financial Mgmt.	Motorola Solutions Canada Inc.	\$ 70,000.00
Policy Section 4.3(a) Proprietary rights (sole authorized distributor) and 4.3(b) Standardization/compatibility. This equipment is compatible with the corporate trunked radio system in place until at least June 2019.				
<b>Total</b>				<b>\$ 487,824.90</b>

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## Three-Year Land Development Report 2017 – 2019

### Recommendation

That the information be received.

### Topic and Purpose

The Three-Year Land Development Report (Attachment 1) provides a summary of developer servicing plans and builder and developer inventory levels for residential and non-residential suburban land within Saskatoon. The report also provides a review of dwelling unit demand based upon various population growth rates.

### Report Highlights

1. Over the past three years, Saskatoon has experienced an average population growth rate of 2.54% annually. A steady growth rate of approximately 1.87% is anticipated for the next year, based on economic and housing indicators.
2. During the past five years, single-family developer and builder inventory has fluctuated between 1,400 and 2,000 lots, and developer and builder multi-family inventory has fluctuated between lands capable of producing 2,800 and 3,400 units.
3. Developers in the city plan to service residential land capable of accommodating a total of approximately 5,757 dwelling units over the next three years.
4. Developers in the city plan to service approximately 103 acres of industrial land over the next three years.
5. There is approximately 100 acres of commercial land in the development stream, which is capable of accommodating over 1.0 million square feet of retail space over the next three years.

### Strategic Goals

Servicing of land noted in this report supports the long-term strategy of increasing revenue sources and reducing reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

The information provided in this report also supports the long-term strategy of planning and investing in infrastructure needed to attract and support new businesses and skilled workers to the city, and the four-year priority of continuing to create and support a business friendly environment and increase the commercial and industrial tax base under the Strategic Goal of Economic Diversity and Prosperity.

### Background

The Three-Year Land Development Report (Three-Year Report) is an annual report which summarizes the servicing of residential and non-residential suburban land within Saskatoon.

The report provides information on economic growth indicators, builder and developer inventory levels, servicing plans, and dwelling unit demand profiles based on various population growth scenarios.

## **Report**

### Key Indicators and Housing Demand

Population in Saskatoon has been growing over the past several years, with an average population growth rate of 2.54% for the 2013 – 2015 period. For the 2017 – 2019 period, a steady growth rate between 1.5% and 2.5% is anticipated based on economic and housing indicators. At a 1.5% – 2.5% population rate increase, approximately 5,715 to 9,667 new dwelling units will be required in new suburban growth areas over the next three years.

### Residential Land Inventory

Indicators point toward moderation from the robust housing market experienced in Saskatoon over the past few years. Single-family homebuilder inventory levels have dropped throughout 2016 as new home starts in Saskatoon are projected to increase to 850 units, exceeding 2015 levels by 25%. Developer inventory of single-family lots have increased over the last year, as builders have been hesitant to take on new lots with the moderation of growth in the Saskatoon market.

Multi-family inventory held by builders and developers has fluctuated between 2,400 and 4,000 dwelling units since 2011. Due to higher supply of completed units available, there has been a reduction in new multi-family starts throughout 2016. This has resulted in developers holding more inventory as builders work through sales of completed units. The trend of developers holding more multi-family parcels is not surprising when considering the high number of serviced parcel sales that took place in 2014 and 2015.

### Residential Servicing Plans

Over the next three years, developers in Saskatoon are planning land servicing capable of accommodating an estimated 5,757 dwelling units. This number of dwellings would support an annual population growth rate of 2.1% over the same time period and would accommodate targeted residential inventory levels that are set by the City of Saskatoon (City) and private land developers. This level of residential servicing represents a 22% reduction from the level of servicing quantified during the 2016 – 2018 period. Information on developer servicing schedules is included in the Three-Year Report.

Recent economic data suggests the city's population growth will moderate from recent years; however, a steady rate of population growth is expected for Saskatoon in the short term. The planned suburban residential servicing levels outlined within the Three-Year Report for the City involve delaying any significant direct service infrastructure investments until current inventory is absorbed by the market. Once inventory levels are drawn down, further servicing work will proceed in the second and third year of the plan. Servicing plans received from private developers show a similar response to current housing supply and demand conditions.

Should population growth be lower than expected, developers, including Saskatoon Land, would respond by adjusting servicing levels to avoid both an oversupply of serviced land and an increase in capital carrying costs. Saskatoon Land will manage this risk by continually monitoring and measuring land absorption and inventory levels.

The servicing projections outlined in the Three-Year Report outline the planned servicing schedules only, which may or may not correspond with the timeframes associated with market offerings. Timing associated with releasing land to the market will also depend upon a review of land absorption and inventory levels.

#### Industrial Servicing Plans

From 2017 – 2019, developers plan to service approximately 103 acres of industrial land in the city. The majority of industrial servicing will occur in the Marquis Industrial area, with some additional parcels within the Southwest Industrial area also being made available.

Information on industrial servicing schedules is provided in the Three-Year Report.

#### Commercial Servicing Plans

From 2017 – 2019, developers in the city plan to service over 100 acres of commercial land, which is capable of accommodating over 1.0 million square feet of retail space. In addition to this 100 acres, opportunities for commercial use also exist on sites zoned for industrial use. For example, industrial-zoned sites located on high-traffic roadways frequently accommodate retail use, such as those located on Marquis Drive or Millar Avenue.

Information on commercial servicing schedules is provided in the Three-Year Report.

#### **Due Date for Follow-up and/or Project Completion**

This report is produced annually by Saskatoon Land. The Three-Year Land Development Report providing a summary for 2018 – 2020 servicing plans will be presented to the Standing Policy Committee on Finance in late 2017.

#### **Public Notice**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

#### **Attachment**

1. Three-Year Land Development Report 2017 – 2019

#### **Report Approval**

Written by: Ian Williamson, Planner 16  
Reviewed by: Frank Long, Director of Saskatoon Land  
Approved by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management Department

Three-Year

# Land Development Report

2017 - 2019



*City of*  
**Saskatoon**  
Saskatoon Land

## Introduction

The Three-Year Land Development Report is an annual report that summarizes the planned servicing of suburban residential and non-residential lands in the city of Saskatoon. This report includes the following information:

- summary of key indicators;
- review of demand profiles;
- builder and developer inventory levels and current real estate listings;
- new neighbourhood build-out timeframes and market absorption;
- historical residential infill development; and
- planned servicing schedules for 2017 – 2019.

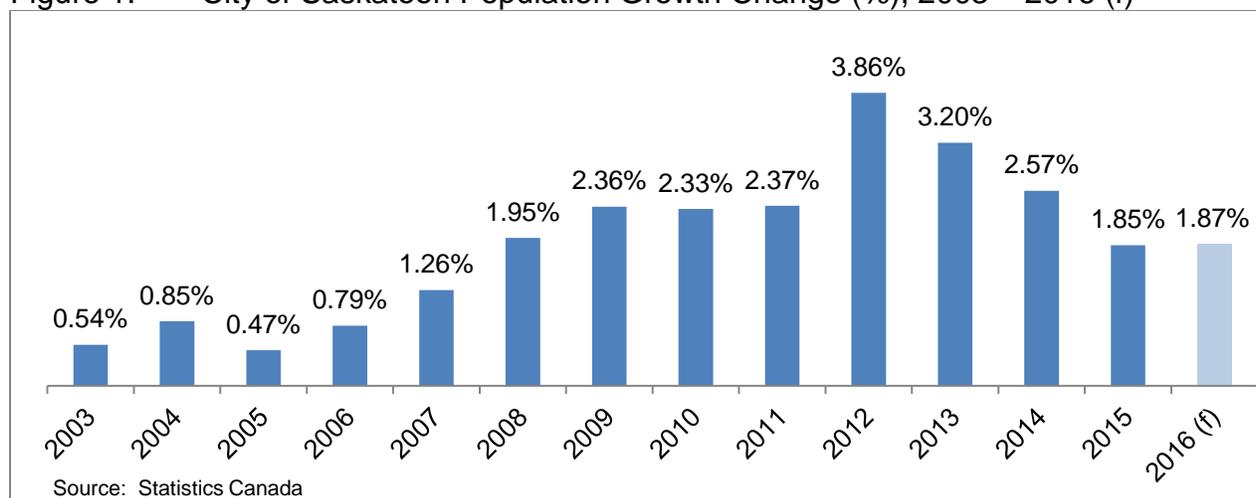
The Three-Year Land Development Report is produced by the Saskatoon Land Division, City of Saskatoon (City). As part of this process, Saskatoon Land collects known servicing information from all major land developers in Saskatoon. The collected information is used by City Administration to plan and budget for growth-related infrastructure investments that are detailed in the Land Development Capital Budget.

### 1. Key Indicators

#### Population

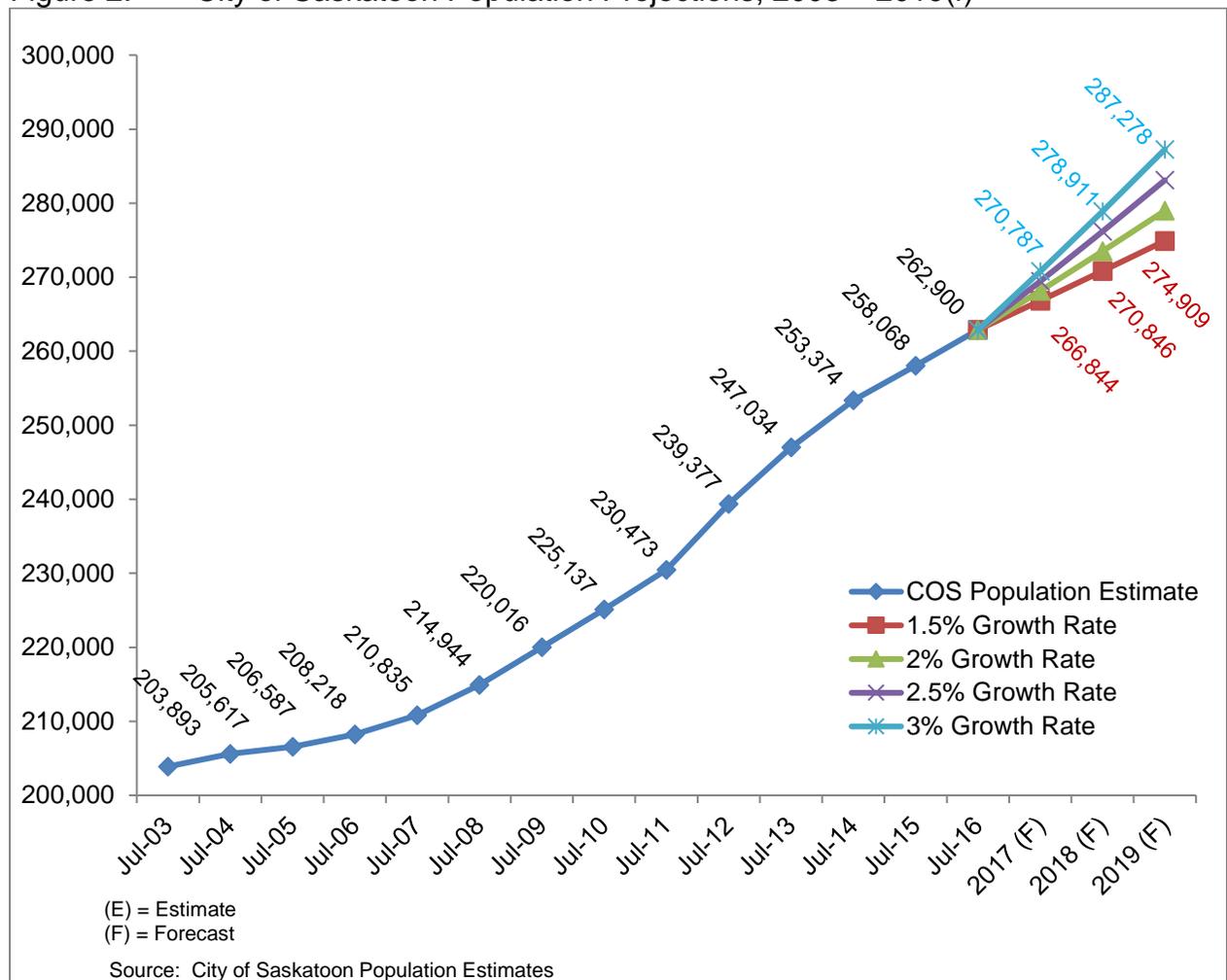
Over the past ten years, Saskatoon has experienced substantial growth. Based on the City’s annual population estimates, Saskatoon has been growing at an average annual rate of 2.25% for the last ten years (2006 – 2015), and 2.54% for the last three years (2013 – 2015). It is projected that growth rates in Saskatoon will moderate to a steady growth rate between 1.5% and 2.0% over the next few years. A civic estimate as of June 30, 2016, had Saskatoon’s population at 262,900, resulting in a forecasted population growth rate of 1.87% for 2016. Figure 1 indicates the historical population growth rate in Saskatoon.

Figure 1: City of Saskatoon Population Growth Change (%), 2003 – 2016 (f)



The rate at which growth will occur is unknown, but projecting various growth rates allows land developers to plan for adequate levels of serviced land to meet demand in these scenarios. Population projections for growth rates from 1.5% – 3.0% are shown in Figure 2.

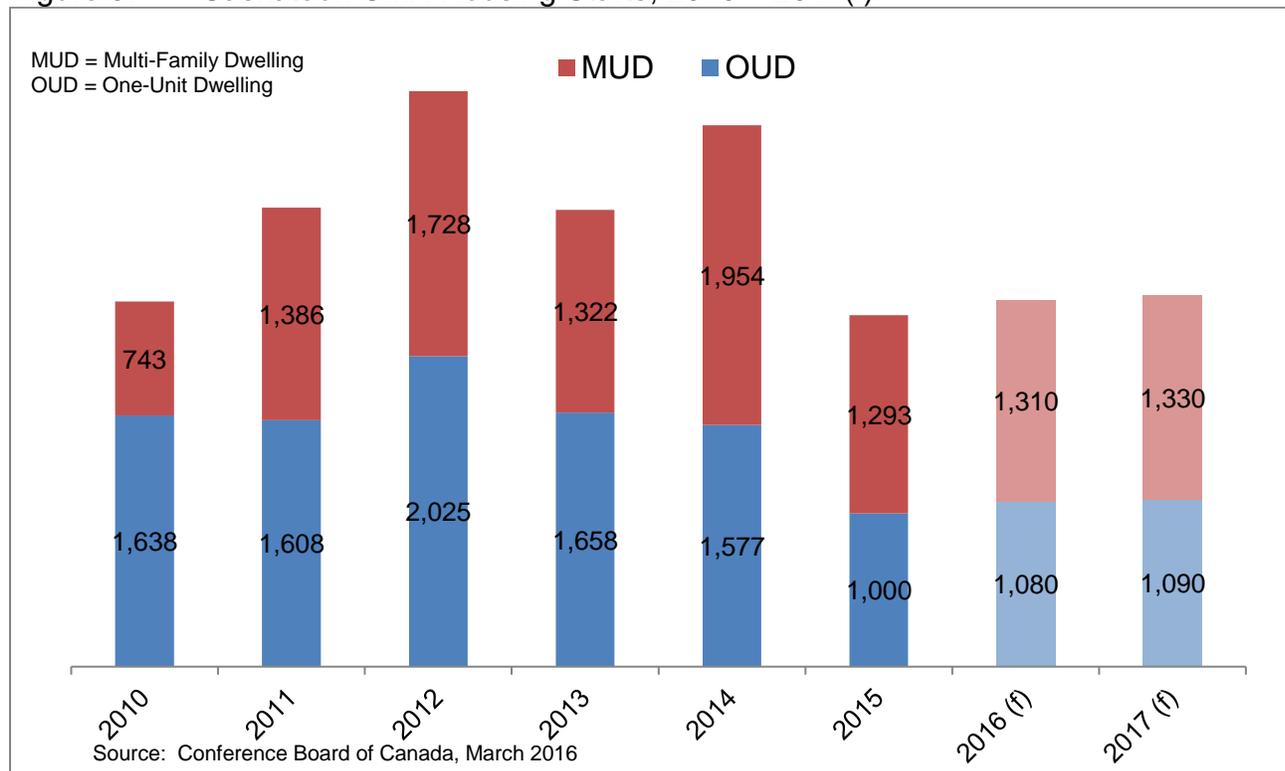
Figure 2: City of Saskatoon Population Projections, 2003 – 2019(f)



### Housing Starts

The Conference Board of Canada is forecasting a moderation in housing starts in the Saskatoon Census Metropolitan Area (CMA) over the next few years, as shown in Figure 3. Canada Mortgage and Housing Corporation (CMHC) data supports these findings.

Figure 3: Saskatoon CMA Housing Starts, 2010 – 2017(f)

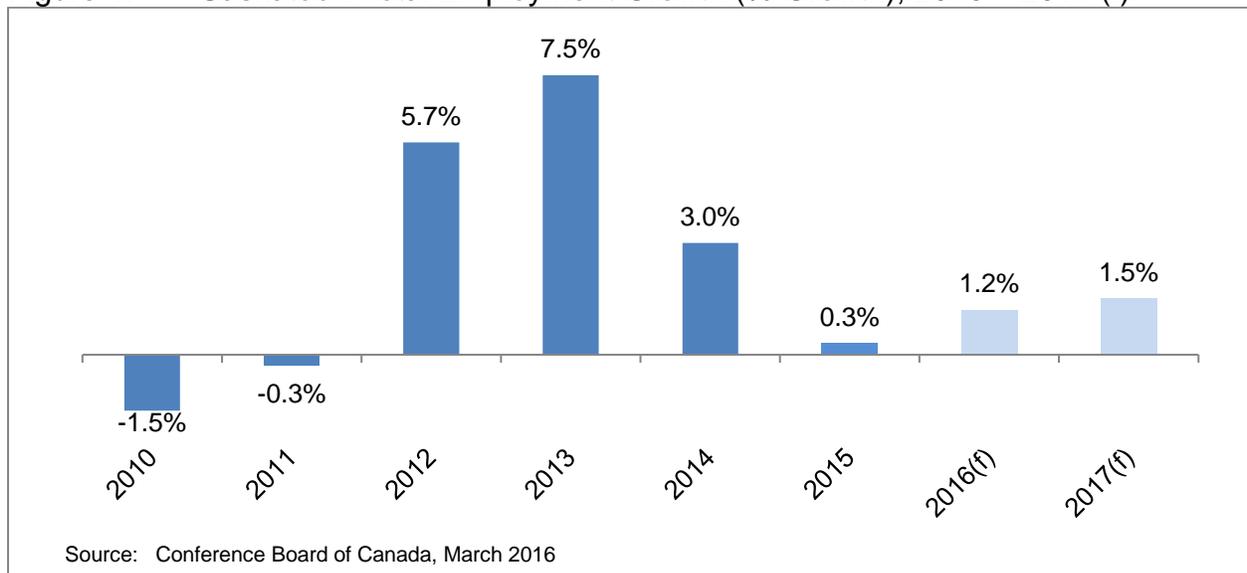


The CMHC Housing Market Outlook, Spring 2016, indicated that housing starts will continue to moderate in the Saskatoon CMA region. Weaker economic conditions have continued to reduce demand for new housing units, as employment growth and net migration have slowed. Furthermore, the local housing industry has been faced with elevated new home inventory and heightened supply in the resale market. As a result, housing starts are expected to moderate in 2016 from the previous year. A gradual improvement in economic conditions will support slightly higher new home construction in 2017.

Employment

According to Statistics Canada in April 2016, Saskatoon’s unemployment rate was 7.5%. The Conference Board of Canada is forecasting a slight decrease to the unemployment rate through 2017. Employment growth was close to stagnant in 2015, however, it is likely to continue to grow marginally over the next two years as shown in Figure 4.

Figure 4: Saskatoon Total Employment Growth (% Growth), 2010 – 2017 (f)



## 2. Demand Profile

### Demand for Residential Land

Demand for residential land is estimated based on assumptions of population growth, household size and density of development. Estimates of total population growth are divided by the average household size to determine the number of housing units. To estimate the amount of land required to develop these units requires assumptions about the type of housing that will be required. Based on the population growth projected in the various growth scenarios shown in Figure 2 and average household size, it is possible to estimate how many dwelling units may be required to meet a given population increase. Table 1 indicates the population increase based on various growth scenarios determined from the City's June 30, 2016 population estimate of 262,900.

Table 1: City of Saskatoon Population Growth Scenarios, 2017 – 2019

Growth Rate	2017	2018	2019	Total
1.0%	2,629	2,655	2,682	7,966
1.5%	3,944	4,003	4,063	12,010
2.0%	5,258	5,363	5,470	16,091
2.5%	6,573	6,737	6,905	20,215
3.0%	7,887	8,124	8,367	24,378

Table 2 demonstrates the suburban dwelling unit demand in Saskatoon at various population growth scenarios. The number of dwelling units for each growth scenario is calculated based on population growth and an average household size of 2.4 persons per unit. An average split of 85% suburban development and 15% infill development is assumed based on an average of building permits issued over the past five years. A 50/50 single-family and multi-family split was used to project suburban dwelling unit

demand. This ratio is based on an average of building permits issued for the past five years. Additional information on historical demand based on building permit numbers is outlined in Section 4 of this report.

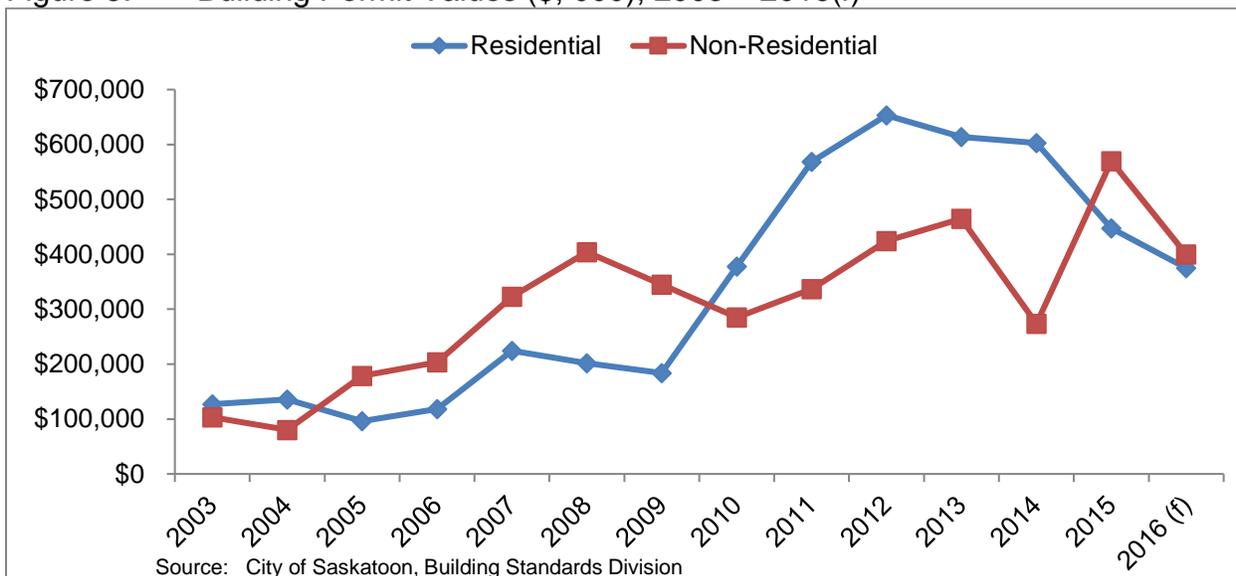
Table 2: Saskatoon Suburban Growth Scenarios, Projected Dwelling Unit Estimates, 2017 – 2019

Growth Rate	2017	2018	2019	Total
1.0%	931	940	950	2,821
1.5%	1,397	1,418	1,439	4,254
2.0%	1,862	1,899	1,937	5,698
2.5%	2,328	2,386	2,446	7,160
3.0%	2,793	2,877	2,963	8,633

Demand for Non-Residential Land

Non-residential development does not follow the growth pattern of residential development, as shown in Figure 5. Gross Domestic Product (GDP) growth drives employment, labour force and income trends, and results in the development of commercial facilities. Commercial development in Saskatoon also services the surrounding area, so household growth in the CMA and within an approximate 100 kilometre surrounding area will influence the demand for commercial land in Saskatoon. Data from the City’s Building Standards Division indicated that 2015 building permit values exceeded \$1 billion. Building permit values for 2016 are projected to moderate to below \$1 billion.

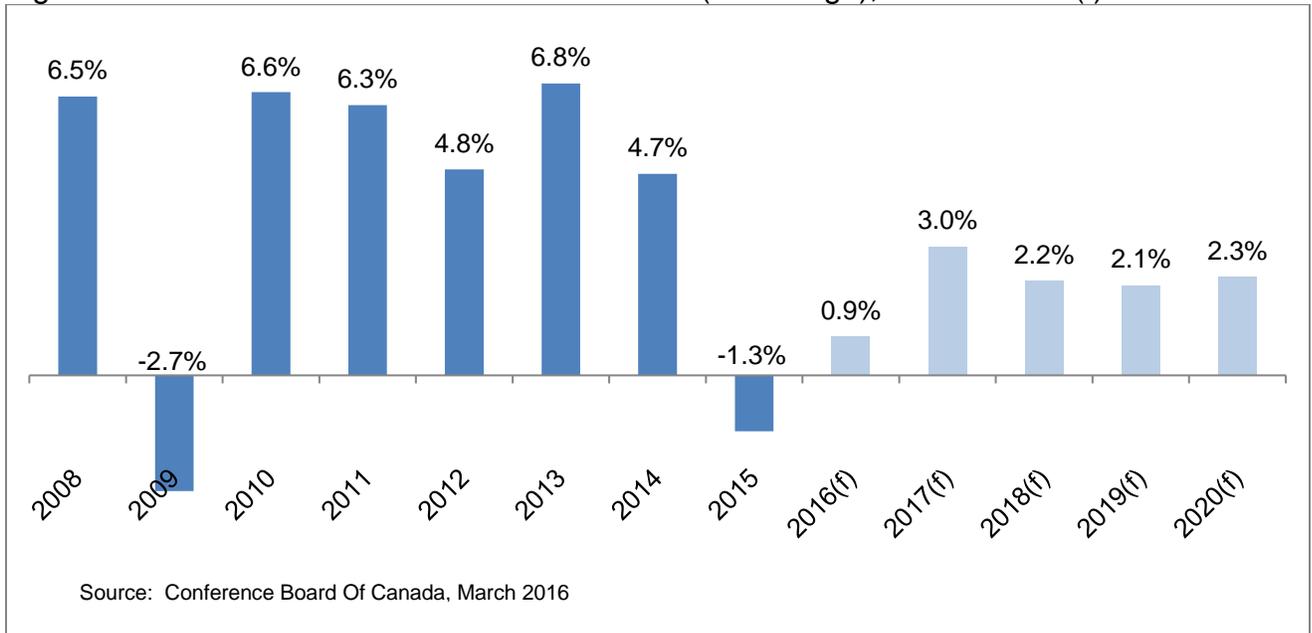
Figure 5: Building Permit Values (\$, 000), 2003 – 2016(f)



Saskatoon’s economy experienced robust growth between 2010 and 2014. The GDP grew 4.7% from 2014 – 2015. However, Saskatoon’s economy experienced negative growth in 2015. The Conference Board of Canada is forecasting that the GDP growth will increase slightly to 0.9% this year. As shown in Figure 6, a moderate, healthy GDP

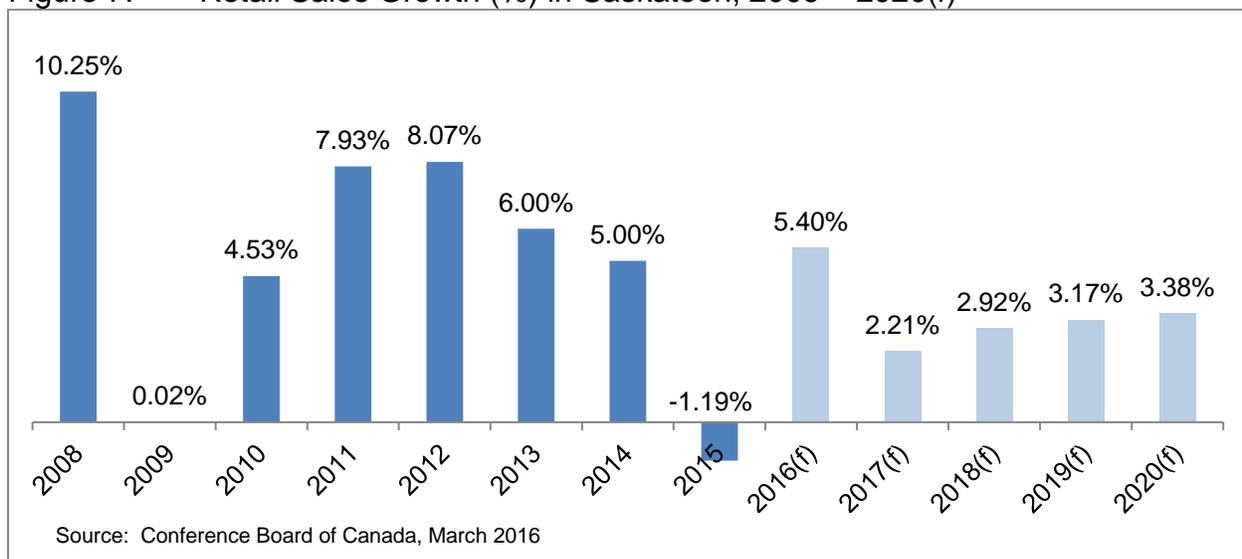
growth rate is forecasted over the next four years at a rate of approximately 2% – 3% annually.

Figure 6: Saskatoon CMA Real GDP Growth (% Change), 2007 – 2020 (f)



The Conference Board of Canada has projected that the retail sector will see positive growth in retail sales throughout 2016, which would be an increase from the recent drop in 2015. As shown in Figure 7, the retail sector is expected to show strong growth for the next four years.

Figure 7: Retail Sales Growth (%) in Saskatoon, 2009 – 2020(f)



### 3. Land Inventory – Residential

#### Real Estate Listings

Indicators point toward a moderation from the robust housing market experienced in Saskatoon over the past few years. The Saskatoon Region Association of Realtors (SRAR) is predicting a moderation in the Saskatoon housing market into the remainder of 2016, similar to the real estate market in 2015. As of October 22, 2016, there are approximately 1,865 residential MLS listings on the market in Saskatoon. Residential listing levels remain elevated largely due to a decline in the level of sales year to date. However, residential MLS listings have decreased from the high of 2,175 in the summer of 2016.

The RE/MAX Housing Market Outlook for 2016 predicts that with fewer new home builds slated to begin construction in 2016, residential listing levels are expected to stabilize over the course of next year. Saskatoon is expected to remain a buyer's market into the remainder of 2016, however, the average residential sale price is anticipated to remain stable.

#### Builder and Developer Inventory – Single-Family Lots

Table 3 identifies the starting inventory of single-family lots held by homebuilders and land developers as of October 1, 2016.

Table 3: Builder and Developer Single-Family Inventory, October 1, 2016

Neighbourhood	Builder	Developer Inventory		Total
	Inventory	City	Private	
Arbor Creek	3	0	0	3
Aspen Ridge	49	34	0	83
Briarwood	6	0	0	6
Brighton	197	0	17	214
Evergreen	120	51	0	171
Hampton Village	8	2	0	10
Kensington	274	182	54	510
Parkridge	7	156	0	163
Rosewood	67	9	46	122
Stonebridge	54	0	0	54
The Willows	5	0	0	5
Westview	0	2	0	2
Willowgrove	4	0	0	4
<b>Totals</b>	<b>794</b>	<b>436</b>	<b>117</b>	<b>1,347</b>

As Table 3 indicates, on October 1, 2016, a total of 794 single-family lots were held by builders and 553 single-family lots were held by developers, for a total of 1,347 single-family lots. The developer inventory consisted of 436 single-family lots produced by Saskatoon Land, and 117 single-family lots produced by private developers. Saskatoon Land anticipates a builder inventory of 800 single-family lots and a developer inventory of 1,200 single-family lots as of January 1, 2017. These projections take into account completed single-family servicing from July to December 2016. It should be noted that of the 1,200 single-family lots being held by developers, approximately 700 lots have yet to be released to the market. Any future offerings to the market by land developers will be dependent on current inventory levels and absorption levels in each respective neighbourhood.

A large majority of developer inventory is located within the suburban neighbourhoods of Kensington and the Parkridge extension. Due to the inventory on the west side of the city, developers have adjusted servicing plans accordingly and do not plan to service any new lots in the next few years until a portion of existing inventories are absorbed.

While single-family builder inventory levels have remained relatively stable over the past few years, developer inventory of single-family lots has increased in the last two years. Due to slower housing starts this year and less demand for residential single-family lots by builders, developers are holding more single-family inventory than in recent years. However, with increased single-family dwelling unit permits issued in 2016 compared to 2015, developer inventory levels are expected to stabilize throughout 2017 and 2018.

### Builder and Developer Inventory – Multi-Family Inventory

Table 4 identifies inventory of multi-family land held by builders and developers as of October 1, 2016.

Table 4: Builder and Developer Multi-Family Inventory, October 1, 2016

Neighbourhood	Builder Inventory		Developer Inventory				Totals	
			City		Private			
	Acres	Possible Dwelling Units	Acres	Possible Dwelling Units	Acres	Possible Dwelling Units	Acres	Possible Dwelling Units
Blairmore S.C	4.05	243	4.84	97	0.00	0	8.89	340
Brighton	0.00	0	0.00	0	16.78	405	16.78	405
Evergreen	13.67	263	46.17	997	0.00	0	59.84	1,260
Hampton Village	0.00	0	1.13	45	0.00	0	1.13	45
Kensington	2.65	53	3.35	50	2.00	30	8.00	133
Lakewood S.C.	3.82	152	0.00	0	0.00	0	3.82	152
Rosewood	9.98	149	0.00	0	4.47	81	14.45	230
Stonebridge	24.67	725	0.00	0	0.00	0	24.67	725
Willowgrove	2.03	81	0.00	0	0.00	0	2.03	81
<b>Totals</b>	<b>60.87</b>	<b>1,666</b>	<b>55.49</b>	<b>1,189</b>	<b>23.25</b>	<b>516</b>	<b>139.61</b>	<b>3,371</b>

Note: The average density of development indicated in the above table is approximately 28 units per acre. This ranges from 15 units per acre for most group townhouse sites to 40 units per acre for 3-storey buildings to 60 units per acre for M3 (General Institutional Service District) lands in the Blairmore Suburban Centre and Stonebridge.

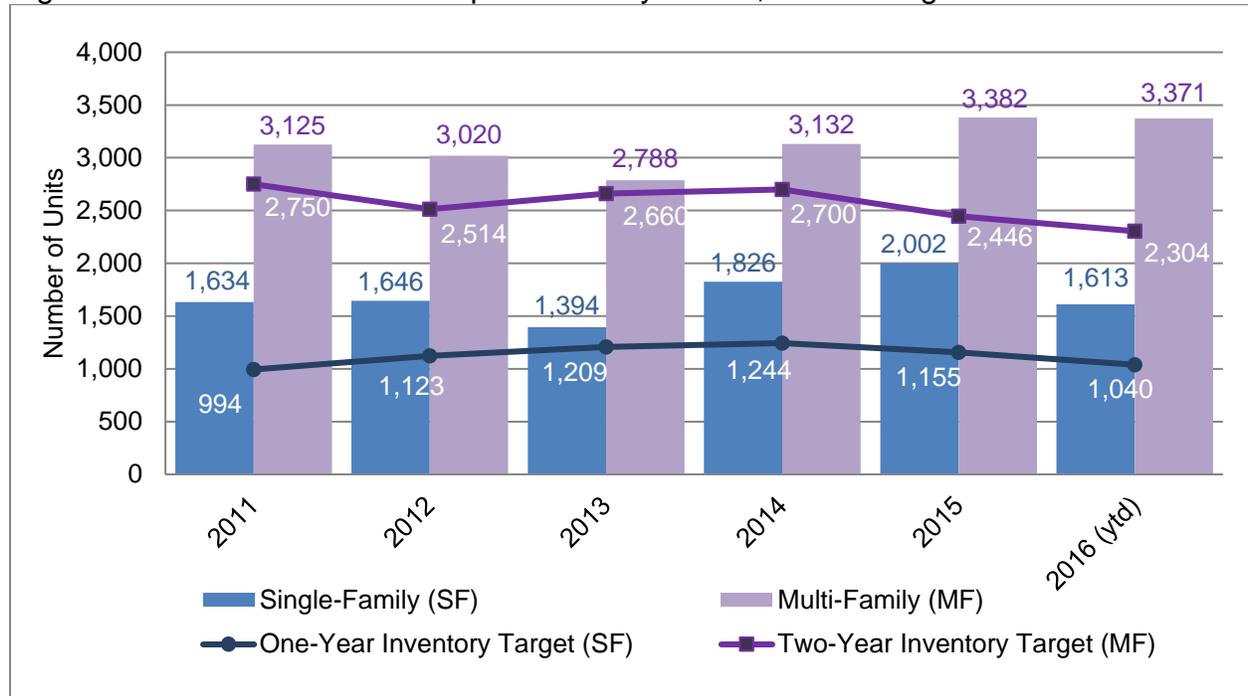
The target for multi-family land is equivalent to a two-year supply held by Saskatoon Land and private sector home builders and developers. The annual target for serviced multi-family land is based on past building permits, projected population growth and projected demand for multi-family units in the upcoming year. Typically, servicing of multi-family sites within a neighbourhood is driven by the phasing for single-family lots. As a result, the amount of multi-family land being serviced year to year can vary greatly.

According to CMHC's Housing Market Outlook, Spring 2016, Saskatoon's multi-family market has experienced significant growth with several new multi-family projects coming to the real estate market in recent years. Inventory is higher for multi-family units than single-family units, with most buyers opting for new builds over resales. Record setting permit activity for multi-family projects within 2014 and 2015 has contributed to the slight oversupply of completed multi-family units on the market. This effect has led to an increase of multi-family land inventory in 2016. With the reduction in multi-family dwelling starts in 2016, inventory levels are expected to stabilize over the course of next year.

Figure 8 displays the historical inventory levels held by home builders and developers in Saskatoon over the past five years. Comparable to trends seen in recent years, builder inventory levels of single-family lots have been stable, while developer single-family inventory has increased slightly in the past year. Single-family inventory levels have fluctuated between 1,394 and 2,002 single-family lots, which generally represents a one-to one-and-a-half-year supply of single-family inventory based on the last five-year

average of single-family building permits. Multi-family inventory held by builders and developers has fluctuated between 2,788 – 3,382 dwelling units.

Figure 8: Builder and Developer Inventory Levels, 2011 – August 2016



Saskatoon Land and private developers have set a target for single-family lots equivalent to a minimum one-year supply. The target for multi-family units accommodates a minimum of a two-year demand. The annual target for serviced residential land is based on past building permits, projected population growth and projected demand for single-family lots and multi-units in the upcoming year.

Since 2011, the land industry within Saskatoon has met or exceeded the annual designated targets. The target for single-family and multi-family residential units has decreased in recent years due to a decrease in housing starts. As a result, land developers within the city have adjusted their servicing plans accordingly to correspond with the designated targets.

#### 4. Market Absorption and Neighbourhood Build-Out

Due to high population growth rates Saskatoon has experienced in recent years, neighbourhood build-out times have shortened significantly, moving towards seven to eight year build-out times in the cases of the Willowgrove and Hampton Village neighbourhoods. As population growth is expected to moderate over the coming years, neighbourhood build-out time frames are expected to increase to a build-out time frame of 10 – 12 years, or possibly longer dependant on the size and density of each neighbourhood.

Details on neighbourhood build-out timeframes are shown in Table 5. This information is based on planned servicing and the number of building permits issued for each neighbourhood.

Table 5: New Neighbourhood Build-Outs, October 24, 2016

Neighbourhood	ODD (to date)	MUD (to date)	Total Estimated ODD	Total Estimated MUD	Build-out % SF	Build-out % MF	Overall Build-out	Est. Servicing Completion	Est. Full Build-Out Year
Aspen Ridge	60	0	2,177	2,464	2.8%	0.0%	<b>1.3%</b>	2024	<b>2027</b>
Brighton	95	0	2,744	2,763	3.5%	0.0%	<b>1.7%</b>	2024	<b>2027</b>
Evergreen	1,634	1,279	1,753	3,691	93.2%	34.7%	<b>53.5%</b>	complete	<b>2018</b>
Hampton Village	1,844	661	1,851	744	99.6%	88.8%	<b>96.5%</b>	complete	<b>2017</b>
Kensington	426	328	1,708	1,741	24.9%	18.8%	<b>21.9%</b>	2019	<b>2022</b>
Rosewood	1,252	491	2,731	1,532	45.8%	32.0%	<b>40.5%</b>	2022	<b>2025</b>
Stonebridge	2,605	2,106	2,655	2,132	98.1%	98.8%	<b>98.4%</b>	complete	<b>2017</b>
Willowgrove	1,755	994	1,763	1,094	99.5%	90.9%	<b>96.2%</b>	complete	<b>2017</b>

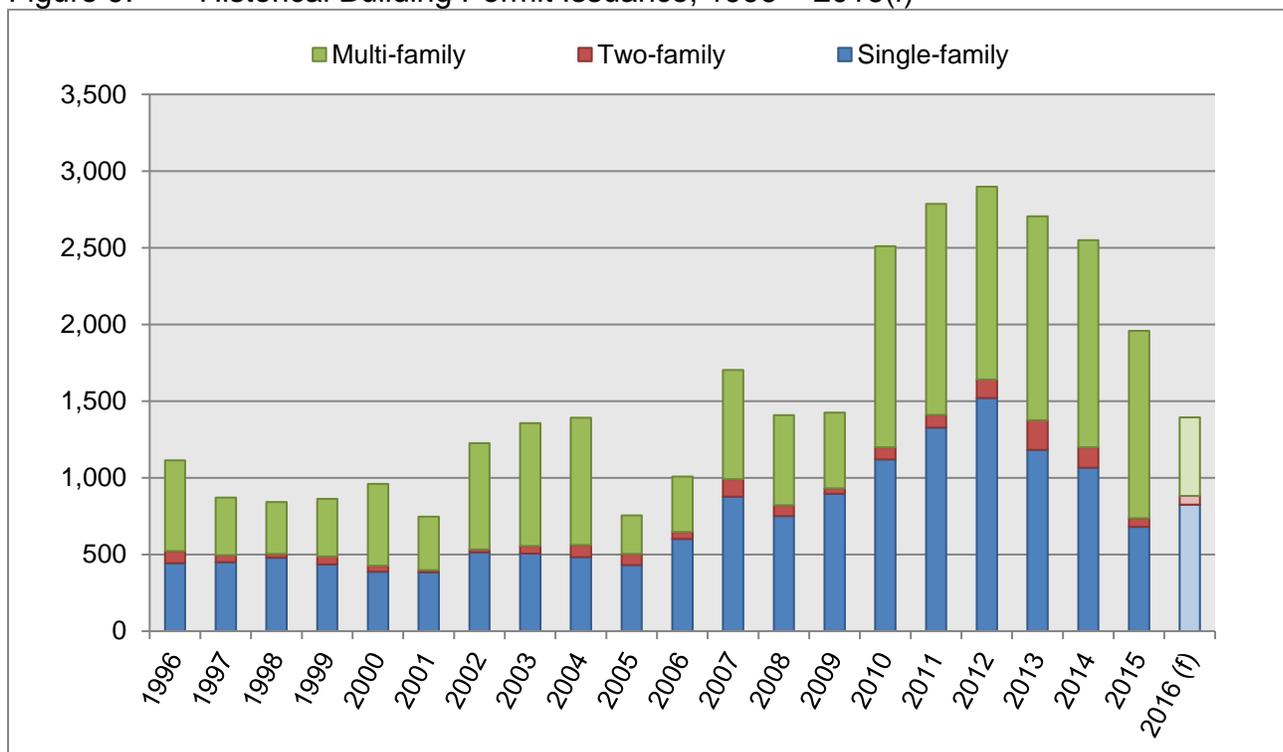
ODD = one-unit dwelling

MUD = multi-unit dwelling

The Monthly Building Permit Report indicates as of October 1, 2016, building permits were issued for 663 single-family units and 373 multi-family units, resulting in a respective split of 64% and 36%. This year is an exception to what Saskatoon has experienced in permit activity in the past years. Typically, the number of multi-family unit permits outpace single-family. Due to the increased inventory of completed multi-family units, multi-family permits have moderated this year. As current inventory levels are absorbed, it is expected that multi-family unit permits will continue to outpace single-family units in future years. Additionally, multi-family permits can be influenced drastically by a large multi-family unit project. Should a large multi-family unit project be issued a permit within the remainder of 2016, this would place multi-family units on pace with a 50/50 split with single-family units.

Due to anticipated demographic changes in Saskatoon as a result of an aging population and a movement towards smaller household sizes, new neighbourhoods are designed to accommodate an increase in demand for multi-family development. Historical permit data would suggest housing demand is trending towards more multi-family units. Attractive price points offered by builders have also encouraged more entry-level home ownership and rental units within the multi-family sector. Historical building permit figures for single-family dwellings, two-unit dwellings and multi-family dwelling units are shown in Figure 9.

Figure 9: Historical Building Permit Issuance, 1996 – 2016(f)



## 5. Infill Development

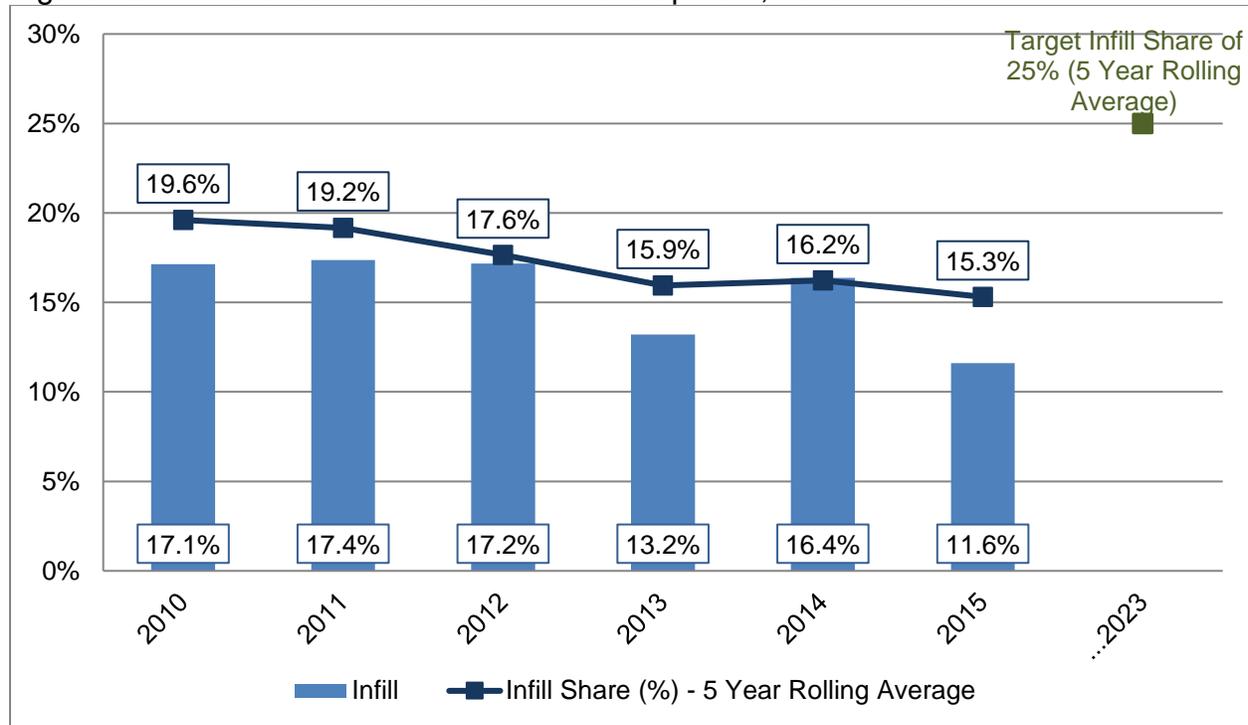
To achieve the City’s strategic goal of Sustainable Growth, the City has identified a strategic target of at least 25% five-year rolling average of residential development within infill neighbourhoods by 2023. Residential infill development is a measure of the City’s success in reducing requirements for new infrastructure and ongoing maintenance costs. Current infill levels are below 25% and many significant infill projects are several years away.

The target supports the success drivers of sustainable growth, neighbourhood quality, balanced land use, multiple transportation options, and it can contribute significantly to the availability of land for development. This target supports the overall strategic direction being set by many major corporate initiatives such as the Growth Plan to Half a Million, Proposed North Downtown Plan, City Centre Plan, Neighbourhood Infill Guidelines Study, Civic Operations Centre Plan, and the Vacant Lot Development Incentive Program, as well as the University of Saskatchewan’s Vision 2057.

Over the past ten years, almost 20% of total dwellings constructed in Saskatoon were infill development. The infill ratio varied from a low of 11.6% in 2015 to a high of 44% in 2004. Year to date in 2016, approximately 16.9% of new Saskatoon dwellings were infill development. Figure 10 displays the historical residential infill development from 2010 – 2015. A number of strategic infill projects slated for development in areas such as South Caswell, North Downtown, and the University of Saskatchewan’s lands will all help

contribute to balancing development towards the targeted goal. Furthermore, Saskatoon Land has identified approximately 12 acres of City-owned infill sites that could be offered to the market that would assist the City in reaching planned infill targets.

Figure 10: Historical Residential Infill Development, 2010 – 2015



## 6. Land Inventory – Industrial

Demand for industrial land is perhaps the least dependent on local demand. While industrial land is used extensively to service the local economy, demand for industrial services and land can be generated by regional, inter-provincial and international demand. However, local labour force and community characteristics will play an essential part in attracting non-local industrial capacity. Current inventories and historical absorption rates of industrial land are an essential baseline for guiding the development of additional industrial land.

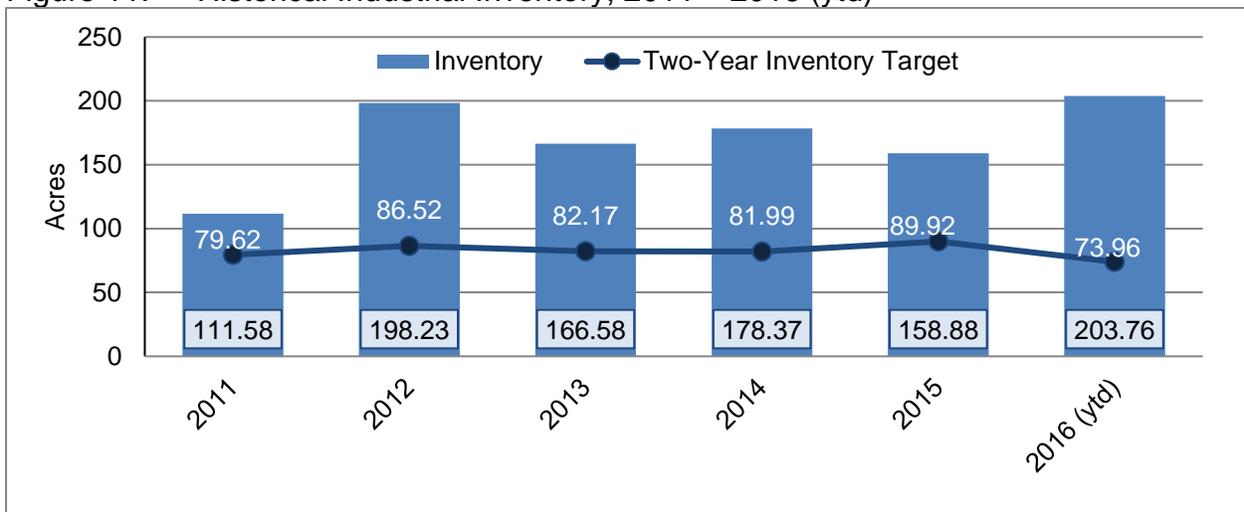
Saskatoon Land’s five-year average for industrial land sales and long-term leases is shown in Table 6. From 2012 – 2016, Saskatoon Land averaged 49.96 acres per year of industrial land sales and long-term leases.

Table 6: Five-Year Average Industrial Land Sales/Lease, 2012 – 2016(f)

Year	Acres
2012	86.57
2013	54.80
2014	54.56
2015	20.97
2016 (f)	32.91
<b>Average</b>	<b>49.96</b>

Saskatoon Land is mandated to ensure a minimum two-year supply of industrial land at the end of each construction season. Figure 11 shows the historical inventory levels of land available for industrial development held by developers and recent industrial land purchasers. The two-year inventory target is based on industrial absorption rates from the preceding five years. For example, the 2016 two-year inventory target is based on the annual average industrial land absorption from 2011 through 2015, and doubled to equal a two-year inventory target. It should be noted that of the total industrial inventory listed within 2016, Saskatoon Land is holding approximately 50 acres comprising of large industrial parcels to accommodate development that would facilitate large employment opportunities.

Figure 11: Historical Industrial Inventory, 2011 – 2016 (ytd)



## 7. Servicing Plans – Residential

Servicing plans for suburban single-family lots and multi-family parcels by Saskatoon Land and private developers are outlined in Tables 7 and 8. Corresponding to the Tables, Figures 12 – 17 show the areas planned for servicing by neighbourhood for 2017, 2018, and 2019. These servicing forecasts are assembled from information provided by Saskatoon Land and private developers within the city. Forecasts represent a best-case scenario for servicing completion and assume satisfactory contractor performance and normal weather conditions.

It should be noted that land developers have the option to scale back on servicing plans should market demand slow or in an effort to avoid oversupplying the market. Land developers can also control the timing of the release of single-family lots to the market, further influencing inventory supply. Similarly, land developers have the ability to accelerate servicing plans should market demand increase. The planned servicing levels outlined in this report are projections and intend to note all the lots currently planned to be serviced.

### Single-Family Servicing

Table 7 identifies the servicing plans for single-family lots by neighbourhood.

Table 7: Single-Family Lot Servicing Projections, 2017 – 2019

Neighbourhood	2017	2018	2019	Total (2017 - 2019)
<b>Aspen Ridge</b>				
City	115	261	261	637
Private	-	-	61	61
<b>Total</b>	<b>115</b>	<b>261</b>	<b>322</b>	<b>698</b>
<b>Brighton</b>				
City	-	-	-	-
Private	157	134	222	513
<b>Total</b>	<b>157</b>	<b>134</b>	<b>222</b>	<b>513</b>
<b>Elk Point</b>				
City	-	-	-	-
Private	-	-	100	100
<b>Total</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>100</b>
<b>Kensington</b>				
City	-	-	110	110
Private	122	100	100	322
<b>Total</b>	<b>122</b>	<b>100</b>	<b>210</b>	<b>432</b>
<b>Rosewood</b>				
City	-	-	-	-
Private	196	171	65	432
<b>Total</b>	<b>196</b>	<b>171</b>	<b>65</b>	<b>432</b>
<b>Willows</b>				
City	-	-	-	-
Private	-	-	60	60
<b>Total</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>60</b>
<b>TOTAL</b>				
<b>City</b>	<b>115</b>	<b>261</b>	<b>371</b>	<b>747</b>
<b>Private</b>	<b>475</b>	<b>405</b>	<b>608</b>	<b>1,488</b>
<b>Total</b>	<b>590</b>	<b>666</b>	<b>979</b>	<b>2,235</b>

In addition to the servicing plan as noted in Table 7, Saskatoon Land has approximately 482 lots serviced to the water and sewer stage. This partial servicing creates more certainty in production and allows for a short-term acceleration of serviced lots to accommodate market demand.

### Multi-Family Servicing

Table 8 identifies the servicing plans for multi-family land by neighbourhood for 2017 – 2019. For each year, the number of acres of land is shown as well as an estimate of the number of possible residential units that could be accommodated on that amount of land. Some of the land zoned for institutional or mixed-use development may also accommodate non-residential uses. For the purposes of this report, residential uses have been assumed at maximum potential density for each development site.

Table 8: Multi-Family Servicing Projections, 2017 - 2019

Neighbourhood	2017		2018		2019	
	Acres	Possible Dwelling	Acres	Possible Dwelling	Acres	Possible Dwelling
<b>Aspen Ridge</b>						
City	19.89	649	2.23	45	15.81	385
Private	-	-	3.86	154	2.93	117
<b>Total</b>	<b>19.89</b>	<b>649</b>	<b>6.09</b>	<b>199</b>	<b>18.74</b>	<b>502</b>
<b>Brighton</b>						
City	-	-	-	-	-	-
Private	2.49	37	4.14	62	4.84	73
<b>Total</b>	<b>2.49</b>	<b>37</b>	<b>4.14</b>	<b>62</b>	<b>4.84</b>	<b>73</b>
<b>Holmwood SC</b>						
City	-	-	-	-	-	-
Private	-	-	9.30	372	15.16	227
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9.30</b>	<b>372</b>	<b>15.16</b>	<b>227</b>
<b>Kensington</b>						
City	-	-	-	-	17.21	325
Private	20.91	511	-	-	-	-
<b>Total</b>	<b>20.91</b>	<b>511</b>	<b>-</b>	<b>-</b>	<b>17.21</b>	<b>325</b>
<b>Rosewood</b>						
City	2.47	99	-	-	-	-
Private	5.71	86	5.00	75	20.51	305
<b>Total</b>	<b>8.18</b>	<b>185</b>	<b>5.00</b>	<b>75</b>	<b>20.51</b>	<b>305</b>
<b>TOTAL</b>						
City	<b>22.36</b>	<b>748</b>	<b>2.23</b>	<b>45</b>	<b>33.02</b>	<b>710</b>
Private	<b>29.11</b>	<b>634</b>	<b>22.30</b>	<b>663</b>	<b>43.44</b>	<b>722</b>
<b>Total</b>	<b>51.47</b>	<b>1,382</b>	<b>24.53</b>	<b>708</b>	<b>76.46</b>	<b>1,432</b>

Table 9 summarizes single-family and multi-family dwelling unit servicing schedules of all developers from 2017 – 2019. During this period, developers in Saskatoon plan to service land for a total of 5,757 dwelling units.

Table 9: Residential Servicing Projections Summary (2017 – 2019)

Land Use	2017	2018	2019	Total
Single-Family	590	666	979	<b>2,235</b>
Multi-Family	1,382	708	1,432	<b>3,522</b>
<b>Total</b>	<b>1,972</b>	<b>1,374</b>	<b>2,411</b>	<b>5,757</b>

Based on the servicing projections contained within last year's report, developers planned to service approximately 7,364 dwelling units over a three-year period. However, this year's projections for dwelling units is 5,757, which is a reduction in planned servicing of approximately 22% over last year's report. The planned residential servicing levels outlined in this report are targeted toward accommodating a modest population growth

rate and the minimum supply targets for land inventory determined by the City and private developers.

The servicing projections reflected in this report show reactions to servicing levels from land developers. Based on the amount of residential land inventory currently held by land developers, servicing projections have decreased from last year's report. Land developers plan to work through current inventory, while slowly increasing servicing plans into the later years of 2018 and 2019. These projections are consistent with the economic forecast projected for the Saskatoon region over the next three years.

Typically, multi-family servicing is driven by the servicing schedules of single-family land. In many phasing areas from 2017 – 2019, single-family phases are located in close proximity to high numbers of multi-family sites. In addition, a greater effort to concentrate multi-family sites along major neighbourhood roadways result in large areas of multi-family land being serviced in a given phase. Also, a general shift toward higher density suburban neighbourhoods, through the inclusion of more apartment style, mixed-use, and stacked townhouse sites, contribute to the high number of multi-family units being projected.

From 2017 – 2019, developers in Saskatoon are planning land servicing capable of accommodating an estimated 5,757 dwelling units. This number of dwellings would support an annual population growth rate of approximately 2.1% over the same time period. While recent economic data indicates demand for new dwelling units will moderate from the robust growth experienced during the past few years, positive growth in employment and GDP in the coming years are expected to fuel a continuation of new housing demand in Saskatoon albeit at a more stable level.

Should population growth be lower than expected, developers, including Saskatoon Land, would respond by adjusting servicing levels to avoid an oversupply of serviced land and increased capital carrying costs. Saskatoon Land will manage this risk by continually monitoring and measuring land absorption and inventory levels. Furthermore, use of a phased servicing approach that involves tendering the installation of deep services one year and roadway construction the following year will provide Saskatoon Land additional flexibility in managing capital outlay and its land supply objectives.

It should also be noted that the servicing projections included in the report outline the planned servicing schedules only, which may or may not correspond with the timeframes associated with market offerings of serviced land parcels.

Figure 12: Aspen Ridge Servicing Schedule, 2017 – 2019

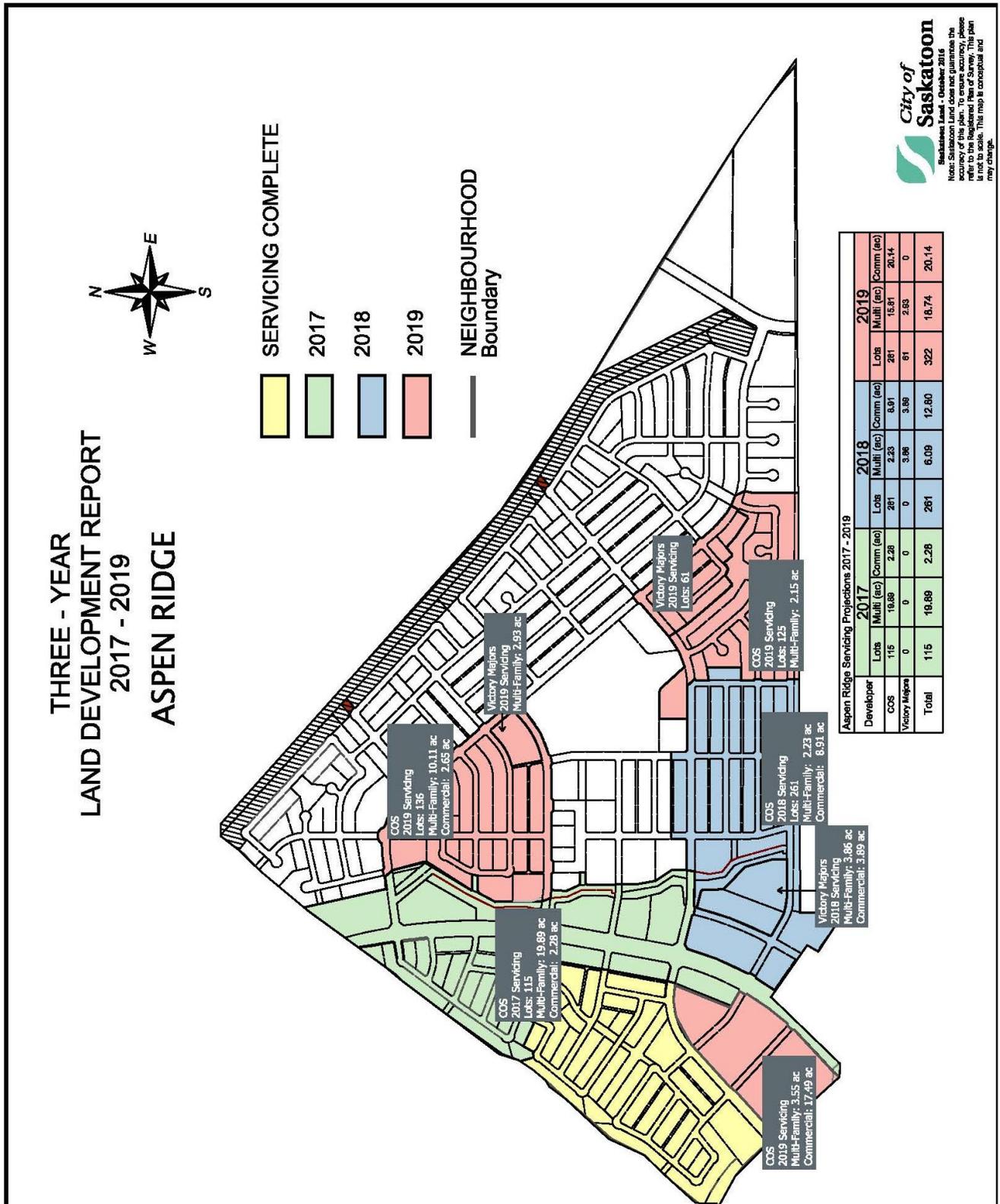


Figure 13: Brighton Servicing Schedule, 2017 – 2019

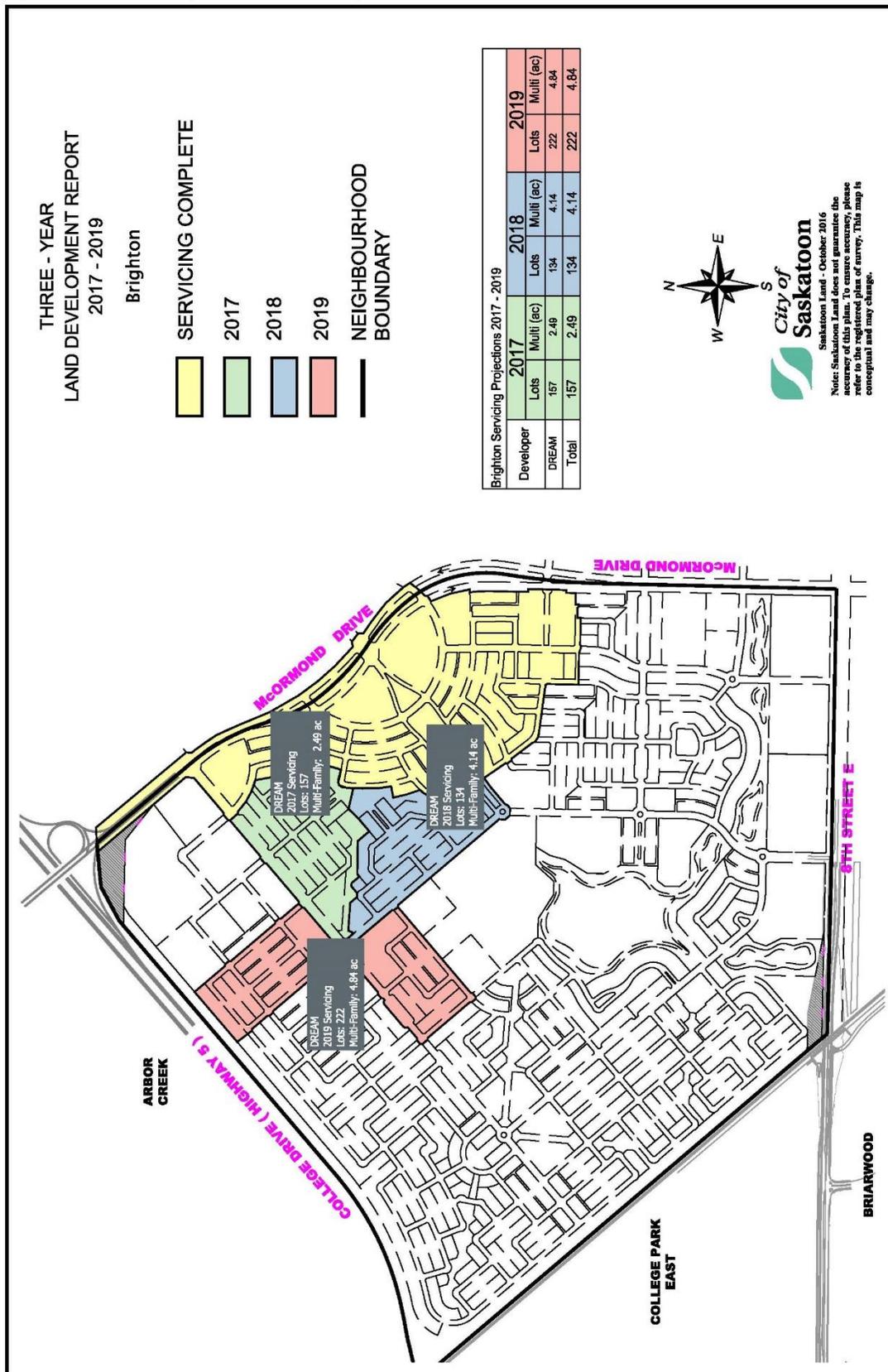


Figure 14: Elk Point Servicing Schedule, 2017 – 2019

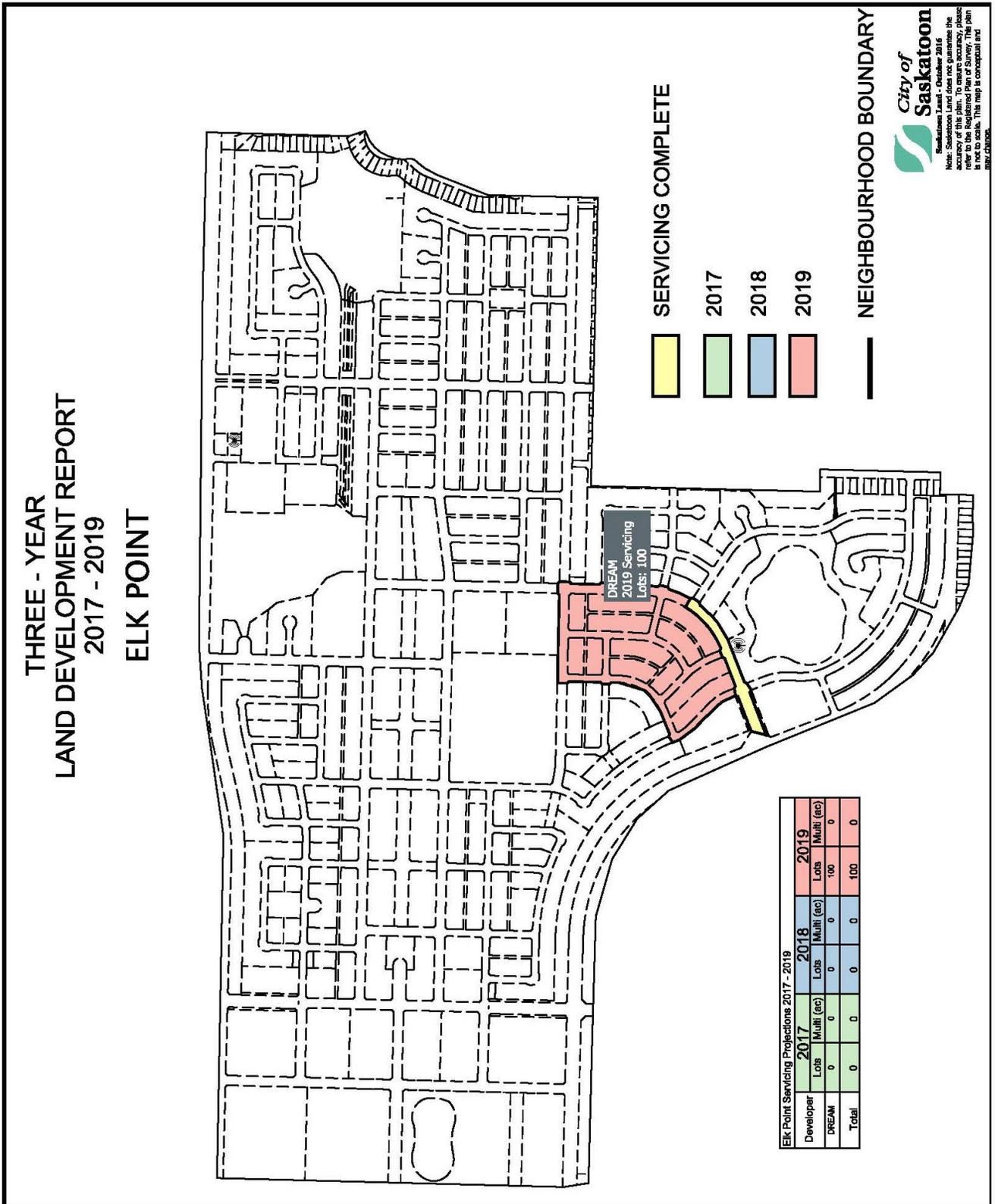


Figure 15: Kensington Servicing Schedule, 2017 – 2019

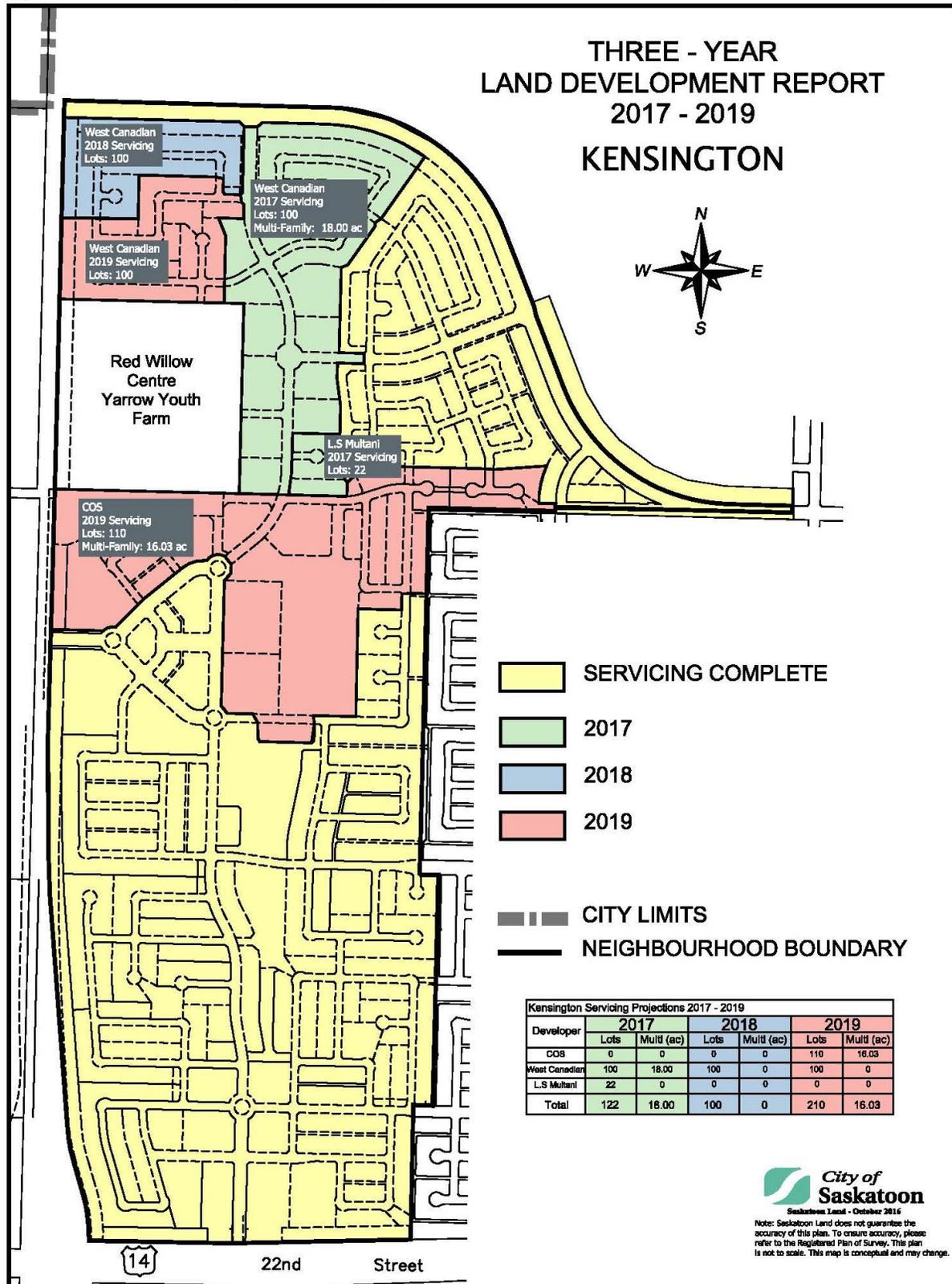


Figure 16: Rosewood Servicing Schedule, 2017 – 2019

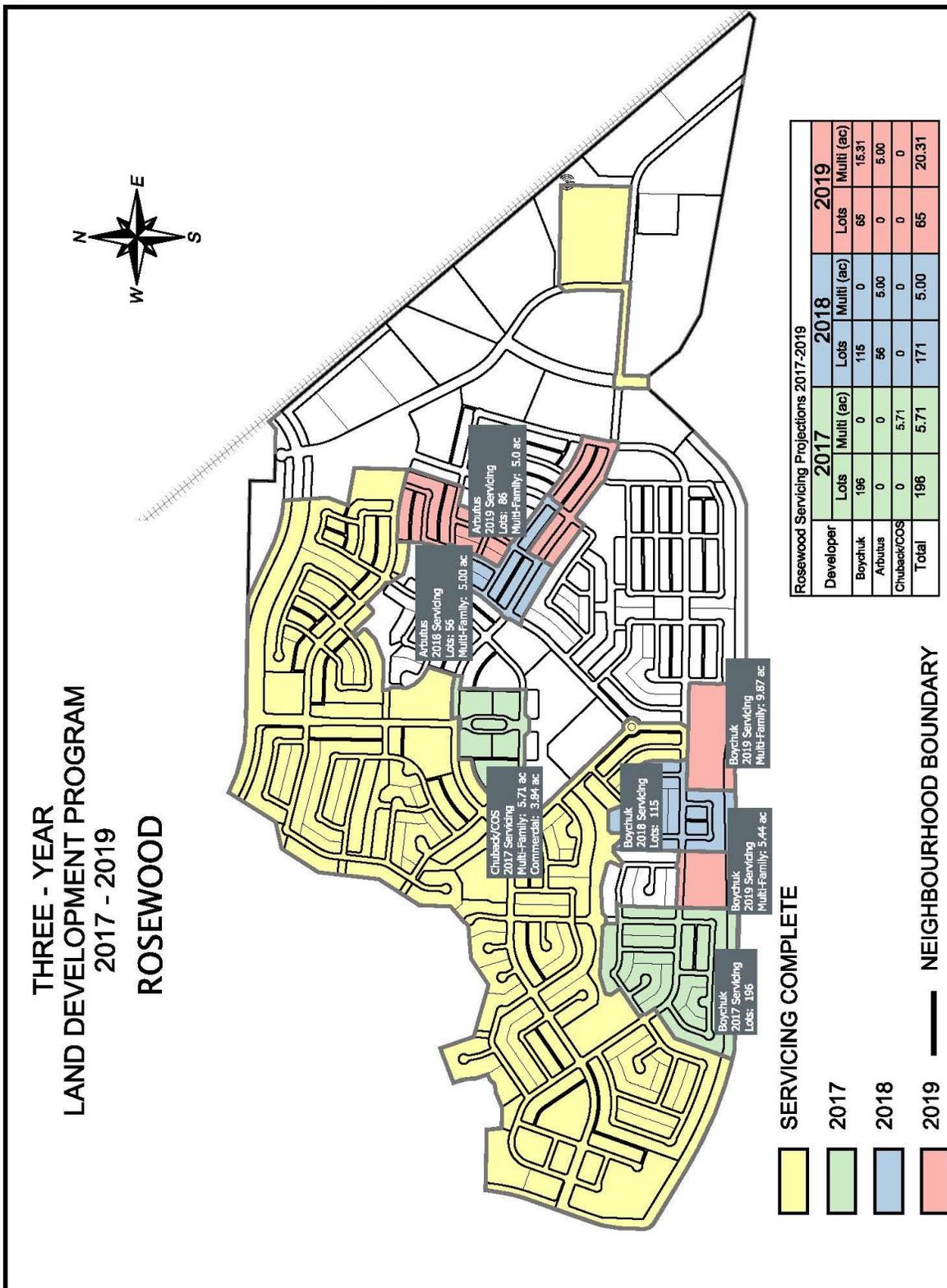
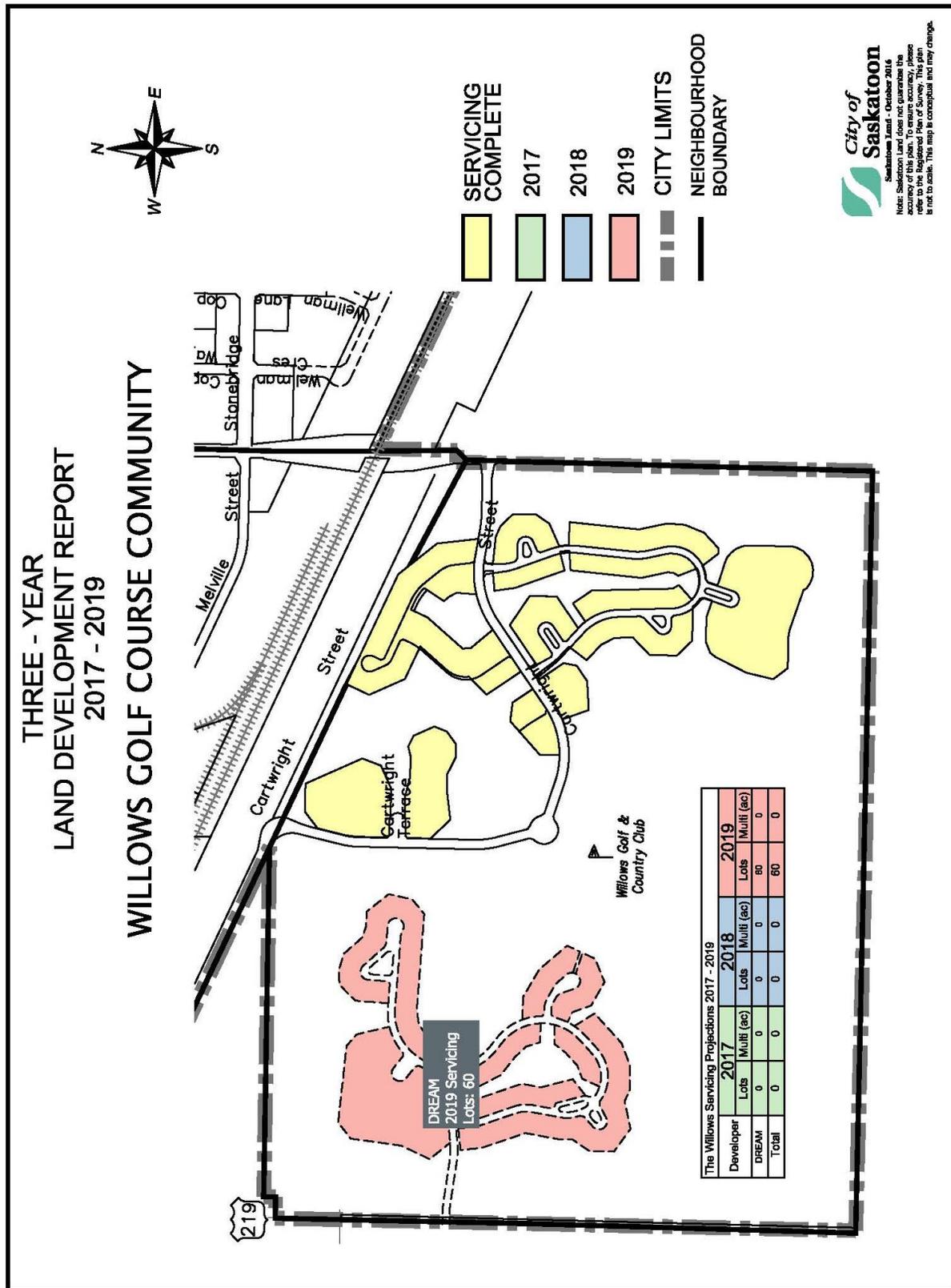


Figure 17: The Willows Servicing Schedule, 2017 – 2019



## 8. Servicing Plans – Industrial

Table 10 identifies projected industrial land servicing for 2017 – 2019. The majority of the planned servicing for the future is to occur within the Marquis Industrial area and the Southwest Industrial area. Based on current industrial inventory held by recent purchasers and developers, and the completion of servicing within 2016 in the Marquis Industrial area, Saskatoon Land has adjusted planned servicing schedules accordingly. Based on economic data, the planned servicing within this report is a move towards accommodating a moderate growth rate. The planned industrial servicing for 2017 – 2019 is a reflection of the economic indicators and historical industrial absorption rates noted within this report.

Table 10: Industrial Servicing Projections, 2017 – 2019

Neighbourhood	2017		2018		2019		Total 2017 – 2019	
	City (ac)	Private (ac)	City (ac)	Private (ac)	City (ac)	Private (ac)	City (ac)	Private (ac)
Marquis Industrial	0	0	37.27	0	43.12	0	80.39	0
Southwest Industrial	22.92	0	0	0	0	0	22.92	0
<b>Total</b>	<b>22.92</b>	<b>0</b>	<b>37.27</b>	<b>0</b>	<b>43.12</b>	<b>0</b>	<b>103.31</b>	<b>0</b>

## 9. Servicing Plans – Commercial

Table 11 identifies projected commercial land servicing for 2017 – 2019. In deriving the potential retail square footage, all lands zoned for commercial or mixed-use were used to determine the potential square footage. Land zoned for mixed-use may accommodate stand-alone residential or institutional uses. However, for the purpose of these numbers, maximum commercial densities were assumed. Retail square footage for a given site was based on an average of 10,000 square feet of retail space per acre.

Opportunities for commercial uses also exist outside of those identified in Table 11. For example, industrial zoned sites located on high-traffic roadways frequently accommodate retail uses, such as those found on 51<sup>st</sup> Street or Millar Avenue.

Table 11: Commercial Land Servicing – Retail Square Footage (000's), 2017 – 2019

Neighbourhood	2017				2018				2019			
	City		Private		City		Private		City		Private	
	ac	sq. ft.	ac	sq. ft.	ac	sq. ft.	ac	sq. ft.	Ac	sq. ft.	ac	sq. ft.
<b>Aspen Ridge</b>	2.28	22.8	0	0	8.91	89.1	3.89	38.9	20.14	201.4	0	0
<b>Hampton Business Park</b>	0	0	4.30	43.0	0	0	0	0	13.60	136.0	11.90	119.0
<b>Holmwood S.C.</b>	0	0	0	0	0	0	31.78	317.8	0	0	0	0
<b>Rosewood</b>	1.92	19.2	1.92	19.2	0	0	0	0	0	0	0	0
<b>Totals</b>	<b>4.20</b>	<b>42.0</b>	<b>6.22</b>	<b>62.2</b>	<b>8.91</b>	<b>89.1</b>	<b>35.67</b>	<b>356.7</b>	<b>33.74</b>	<b>337.4</b>	<b>11.90</b>	<b>119.0</b>
<b>Grand Total</b>	ac										<b>100.64</b>	
	sq. ft.										<b>1,006.40</b>	

As indicated in Table 11, developers in Saskatoon plan to service 100 acres of commercial land from 2017 – 2019, which is capable of accommodating over 1 million square feet of retail space. The majority of new retail space will be accommodated in the proposed Hampton Business Park, proposed Holmwood Suburban Centre, and along McOrmond Drive in the Aspen Ridge neighbourhood.

Figure 18: Marquis Industrial Servicing Schedule, 2017 – 2019

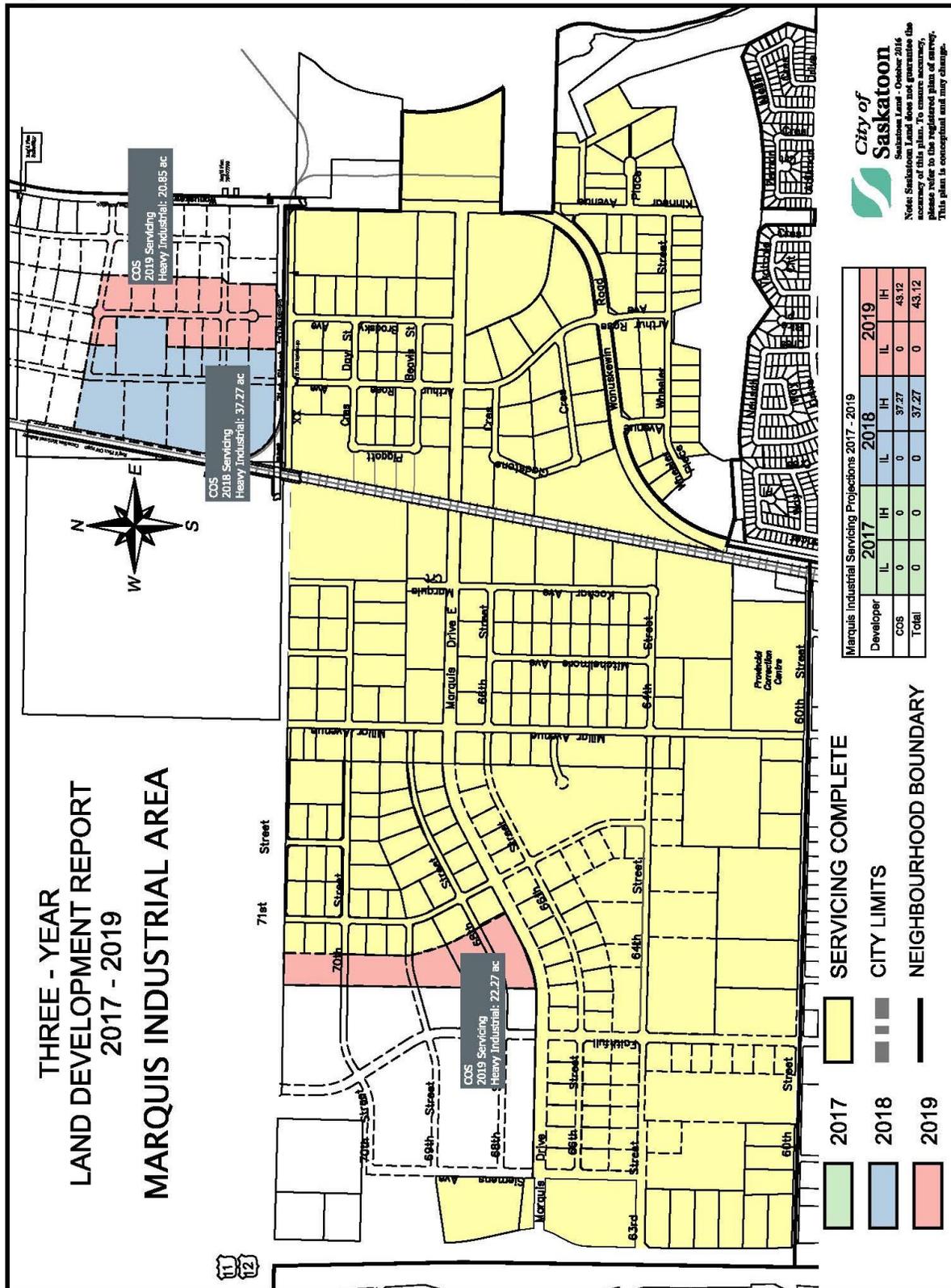


Figure 19: Southwest Industrial Servicing Schedule, 2017 – 2019

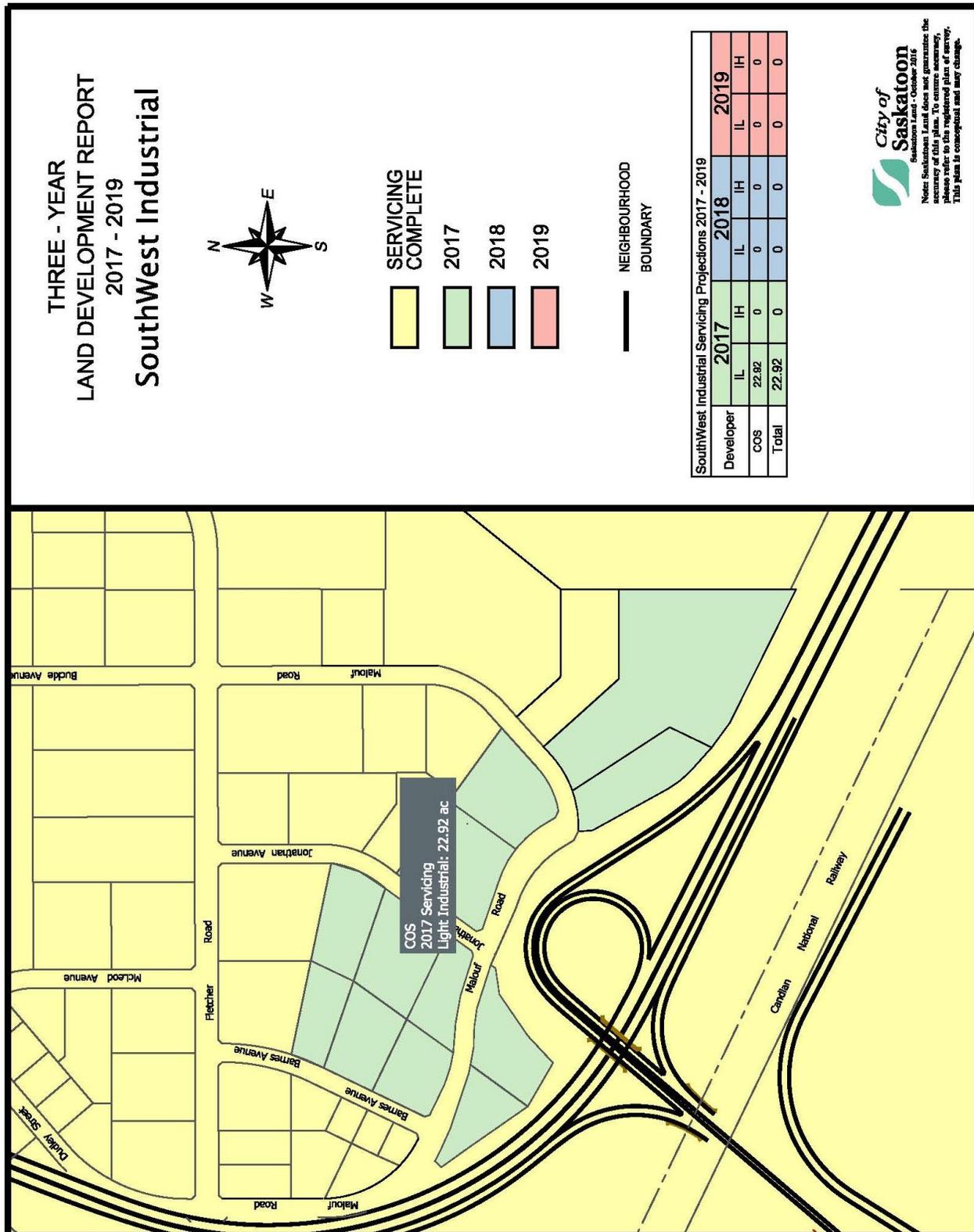


Figure 20: Hampton Business Park Servicing Schedule, 2017 – 2019

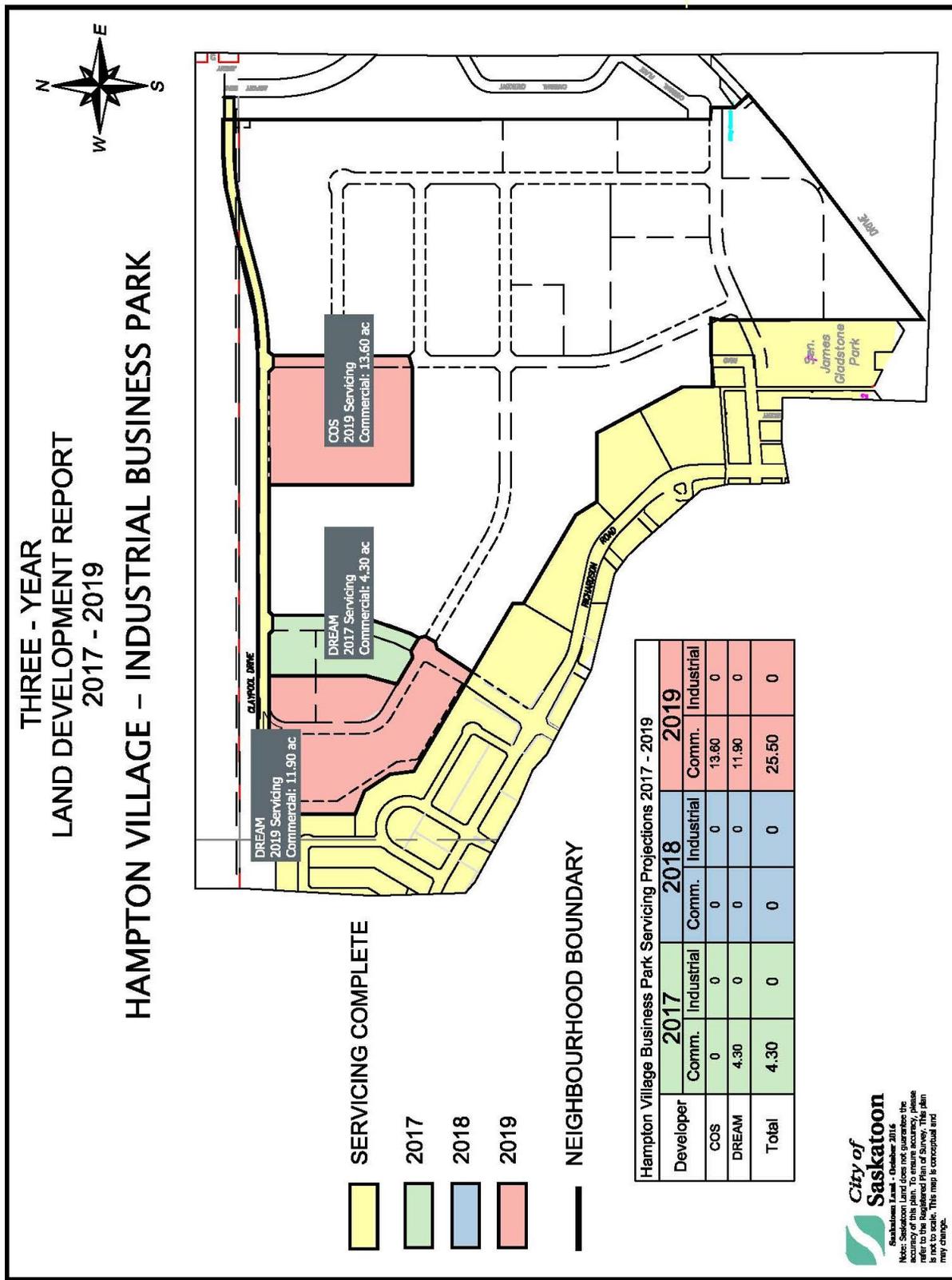


Figure 21: Holmwood Suburban Centre Servicing Schedule, 2017 – 2019

