

Supply of Residential and Industrial Land

10-Year Targets:

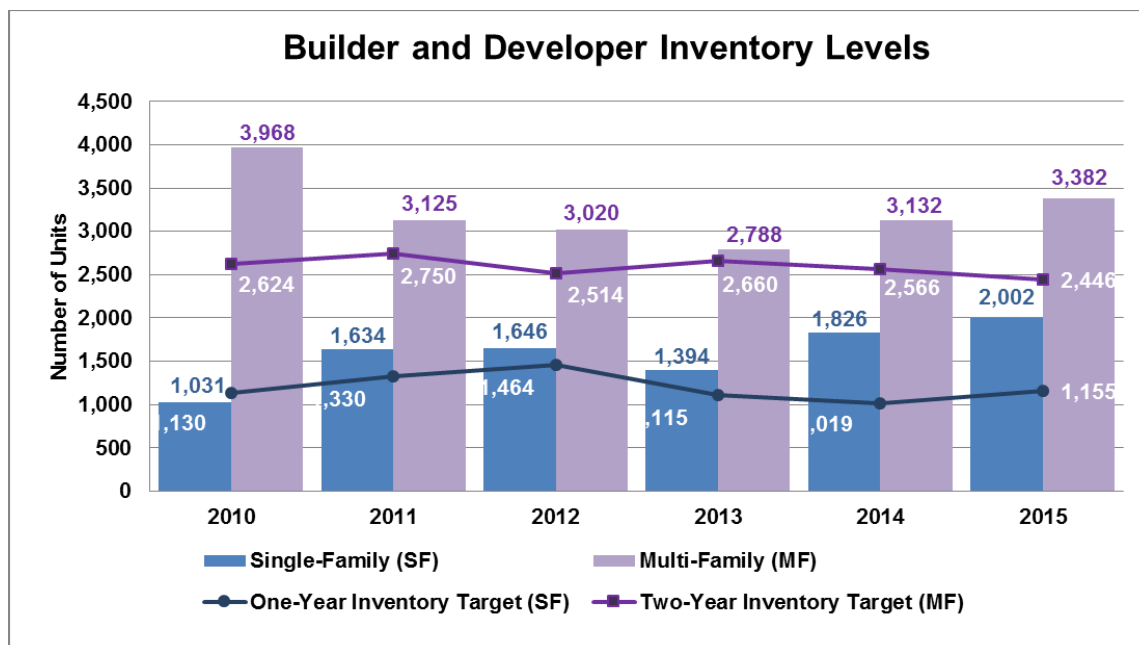
- A one-year inventory of land for single family units
- A two-year inventory of land for multi-family units
- A two-year inventory of industrial land

Description: The targets measure success in maintaining an adequate supply of serviced land to meet building demand.

The target for single family lots is equivalent to a one-year supply held by Saskatoon Land and private-sector home builders and developers. In setting yearly servicing goals for single family lots, the City aims to have enough land completely serviced by year-end to satisfy the City's share of market demand in the next year.

The target for serviced land for multi-family units accommodates a two-year demand. A multi-family project typically requires a longer time to design and construct. The target for industrial serviced land supports two years of demand for industrial building.

The inventory target provides a healthy supply of land to accommodate business and employment growth. 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. The annual target for industrial land is based on the average of the previous five years of industrial land sales by Saskatoon Land.

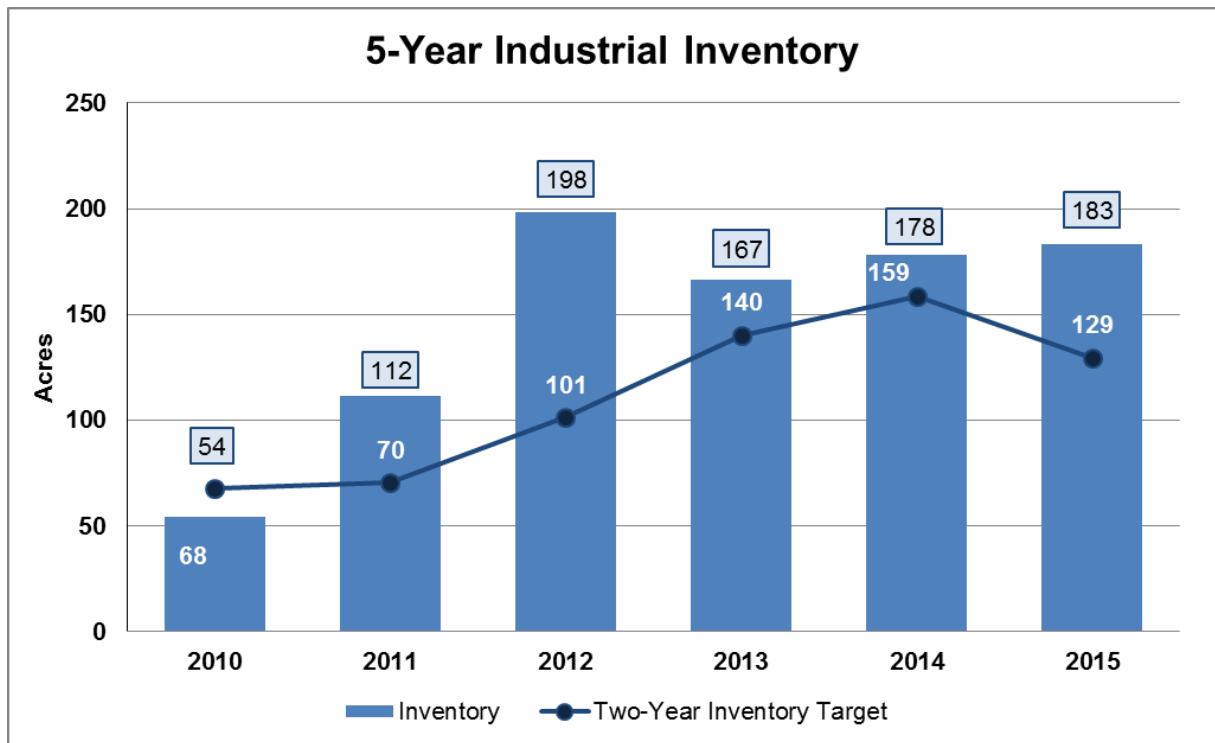


How are we doing?

The supply of land for single and multi-unit residential housing has met or exceeded targets over the last five years.

Source: City of Saskatoon

The supply of land for industrial development has met or exceeded targets over the last five years.



Source: City of Saskatoon

What do we need to do to achieve this target?

Over the next two years, Saskatoon developers are planning to service enough land to accommodate over 8,000 dwelling units. Actual servicing levels will vary depending on contractor performance, weather, and market conditions.

Land Use	2016	2017	Total
Single Family	2,098	1,866	3,964
Multi-family	1,684	2,388	4,072
Total	3,782	4,254	8,036

Investment required by the City and private land developers to achieve the targets is not measured. The City's investment required to meet inventory targets is quantified in the annual Land Development Capital Budget.

What are the benefits of achieving the target?

- Meeting the inventory target for residential land supply ensures there is a sufficient amount of serviced lots to accommodate demand for housing in the Saskatoon market.
- The one-year supply of single family and two-year supply of multi-family land ensures a balanced market exists that is not subject to significant price swings due to land shortage or oversupply.
- Measuring inventory levels to ensure the targets are being met informs investment decisions and ensures carrying costs are not unreasonably high.

What are the risks?

- Due to the significant capital expenditure land development has inherent risk. In achieving the target inventory levels, changing market conditions that are beyond the City's control can have significant impacts on achieving the targets.
- Above average precipitation and contractor performance can have a significant impact on the City's ability to influence the target.
- Much of the risk in achieving the target arises from the dependence on the investment decisions of private developers. As a land developer the City strives to achieve the above noted targets, however it is the land development industry as a whole that ultimately achieves the set inventory goals.