

## Vacancy Rates for Rental Housing

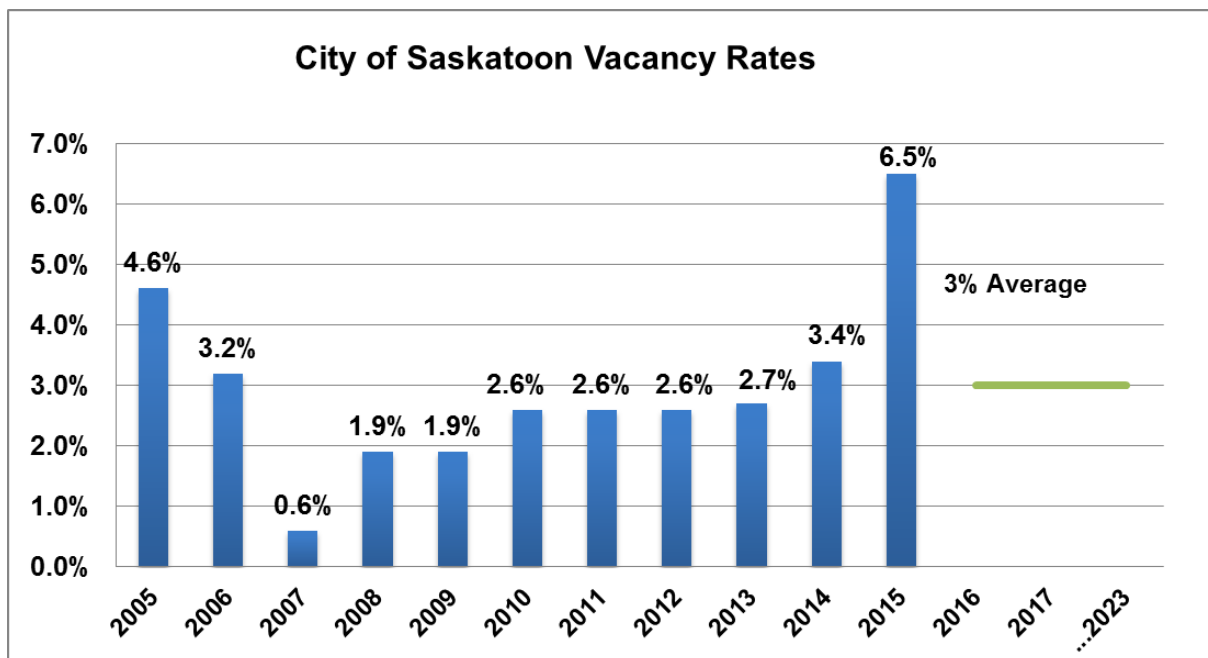
**10-Year Target:** Maintain an average rental housing vacancy rate of 3%

**Description:** The target measures success in maintaining a generally acceptable level of rental accommodation. Vacancy rates below 3.0% generally indicate a limited supply of rental housing and can lead to rising costs for renters. Affordable, appropriate, and secure housing contributes to healthy and economically viable communities.

Vacancy rates =  $\frac{\text{Total number of vacant rental units}}{\text{Total number of rental units available}}$

### How are we doing?

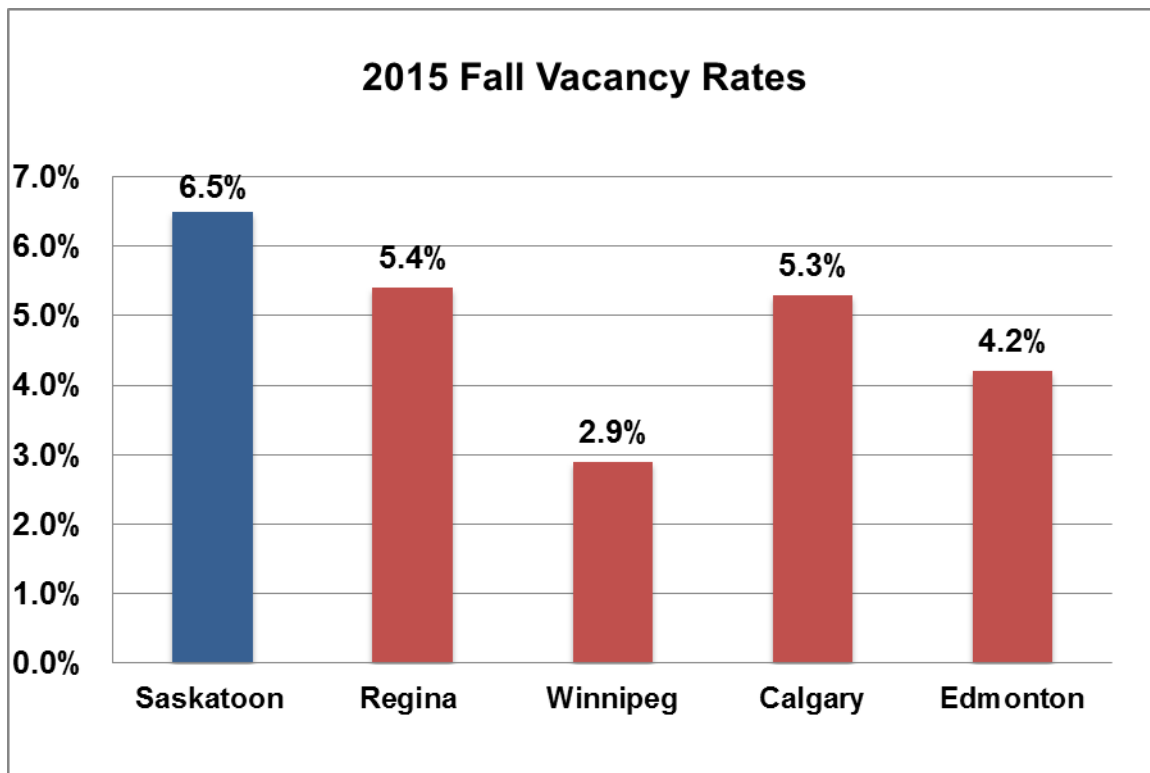
In 2007, in response to a 0.6% vacancy rate, City Council committed to a five-year *Housing Business Plan*. The plan's implementation increased the housing supply and contributed to consistent vacancy rates of about 2.6%. In 2013, a ten-year plan was adopted to support a target of 500 affordable housing units annually across the attainable housing continuum. In 2015, the rental vacancy rate surpassed its highest level since 2005.



Source: Canadian Mortgage and Housing Corporation

## How are other cities doing?

Saskatoon's 2015 vacancy rate was higher than the rate in other western Canadian cities and higher than the 2.7% national average of Canada's 35 largest cities.



Source: Canadian Mortgage and Housing Corporation

## What do we need to do to achieve this target?

The City will influence a healthy vacancy rate by

- Permitting the creation of new and legalizing existing secondary suites that meet required standards
- Implementing the infill strategy which allows garage and garden suites
- Achieving the target of 500 units annually under the *Housing Business Plan* with a cost of approximately \$2 million annually

### **What are the benefits of achieving the target?**

Through achieving a healthy vacancy rate, residents will have access to more variety of appropriate and affordable housing thereby facilitating the opportunity for them to contribute to our community and economy. Groups that directly benefit from the achievement of this target include the following:

- Temporary workers
- Métis and Off-reserve First Nations people
- New immigrants to the city
- Single parents
- Young people entering the workforce
- Post-secondary students
- Low and moderate income individuals and families

When people have appropriate housing, everyone benefits and the quality of life in Saskatoon remains high.

### **What are the risks?**

Several factors influence the city's ability to achieve this target:

- Funding commitments from other levels of government for housing programs
- The willingness of non-profit housing providers and private home builders to create new rental properties
- Higher economic growth and more migration into the City than expected
- Other economic factors such as interest rates, mortgage and lending rules, the supply of skilled labour, and demand for rental housing
- Slower economic and population growth can result in an oversupply relative to demand