

## 2023 Growth Monitoring Report

### ISSUE

The Growth Monitoring Report provides information on residential, commercial and industrial development in Saskatoon, as well as a number of other growth-related indicators for the city.

### BACKGROUND

The Growth Monitoring Report is an annual report which includes general demographic changes and statistical information on how Saskatoon is growing, specific information on planned servicing of residential and commercial industrial lands, as well as information on Saskatoon's existing and potential infill projects. This report provides data which helps monitor progress towards policy goals, planning servicing needs, as well as inform policy and program reviews. It includes the following:

- 1) Summary of City of Saskatoon (City) guiding documents and targets;
- 2) Summary of key growth indicators;
- 3) Review of market demand for residential and non-residential land;
- 4) Builder and developer inventory levels and housing market assessment;
- 5) Market absorption and new neighbourhood build-out timeframes;
- 6) Inventory of infill opportunities on lands owned by the City; and
- 7) Planned servicing schedules within approved concept plan areas from 2024 to 2026.

The Growth Monitoring Report is produced by the City. As part of this process, Administration collects servicing projections from all major land developers in Saskatoon. The collected information is used by various departments to plan and budget for growth-related infrastructure, including investments detailed in the Land Development Capital Budget. The 2023 Growth Monitoring Report is provided in Appendix 1.

### DISCUSSION/ANALYSIS

#### Key Indicators and Housing Demand

The population of Saskatoon has seen slower growth over the last few years, with an average estimated population growth rate of 1.6% per year for the 2020 to 2022 period. For the 2023 to 2025 period, based on economic and housing indicators, an average growth rate of approximately 2% per year is projected due to increased international migration into Saskatoon. A growth rate of 2% per year would result in a total population increase of 5,700 to 5,800 per year, or approximately 17,000 over the next three years, suggesting a demand for approximately 5,200 dwelling units. It is important to note some preliminary estimates are showing a significantly larger than average growth rate for the 2023 year, primarily driven by international migration and temporary resident growth; therefore, a 17,000-population increase may be understated. These estimates are still being confirmed by Administration. Potential impacts on housing demand or other City initiatives will be monitored until estimates are confirmed.

### Residential Land Inventory

As of July 1, 2023, 413 vacant one-unit dwelling lots were held by developers and 3,092 one-unit dwelling lots were held by builders, for a total of 3,505 vacant one-unit dwelling lots. At this time, builders and developers also maintain a total inventory of approximately 479 acres of vacant land, zoned for multiple-unit dwellings, which could accommodate approximately 19,015 multiple-unit dwelling units.

City Council has set a target of maintaining land for a minimum one-year supply of one-unit dwelling lots and a two-year supply of multiple-unit dwelling land. These targets are based on historical building permits, projected population growth and projected demand for one-unit and multiple-unit dwellings in the upcoming year. Based on current inventory levels, these targets have been met or exceeded. Of the total current inventory level, the vacant land has potential to accommodate a total of 22,520 dwelling units; therefore, the current inventory has the capability of accommodating an additional 54,048 people. At a growth rate of 2%, these dwelling units could be absorbed into the market in approximately nine to ten years.

### Infill Development

While the residential land inventory noted above primarily accounts for greenfield development, a number of City-owned infill projects have been highlighted in the Growth Monitoring Report, along with a number of privately led major residential infill developments which have been proposed or are under construction. These include major projects at 639 Main Street and 410 5<sup>th</sup> Avenue North, along with approved rezonings for projects at 1012 College Drive as well as 8<sup>th</sup> Street and Broadway Avenue.

### Residential Servicing Plans

Over the next three years, land developers in Saskatoon are planning to service sufficient land for an estimated 3,805 additional dwelling units, which include 2,268 one-unit dwelling units and 1,537 multiple-unit dwellings. This amount of newly serviced land, alongside the current existing inventory, would support a population growth rate of 2%, over the same time period, and will exceed targeted minimum residential inventory levels. The greenfield servicing projections in the Growth Monitoring Report are based on information from land developers who monitor market demand, current servicing levels, existing inventory levels and economic forecasts. Should population growth be lower or higher than expected, developers can manage their risk levels by delaying or progressing the servicing of new land to avoid an oversupply or undersupply of serviced land. Use of a phased servicing approach, which involves the installation of deep utility services one year and roadway construction the following year, provide additional flexibility in managing capital outlay and land supply objectives.

### Industrial and Commercial Servicing Plans

From 2024 to 2026, developers plan to service 178.27 acres of industrial land in Saskatoon, the majority of which will occur in the Marquis Industrial area. There are currently 213 acres of vacant sites zoned for commercial development, with 61.97 acres planned for servicing in Aspen Ridge, Hampton Village Business Park and Holmwood Urban Centre.

Due to the current inventory of commercial space and the amount of future commercial land identified in City Council approved Sector Plans and Concept Plans, it is anticipated enough land is available for commercial opportunities over the next three years.

### **NEXT STEPS**

This report is produced annually. The 2024 Growth Monitoring Report will be presented to the Standing Policy Committee on Planning, Development and Community Services in late 2024.

### **APPENDICES**

1. 2023 Growth Monitoring Report

#### **Report Approval**

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