

Land Development 2024-2025 Business Plan and Budget

ISSUE

City Council approval is required in order to set the Operating and Capital Business Plan and Budget for 2024 and 2025. The figures in this report are stated as 2024 and 2025 respectively, unless otherwise noted.

RECOMMENDATION

1. That the Land Development Business Line Operating Budget for 2024 totalling \$10,043,700 in expenditures and \$10,043,700 in revenues be approved, which includes adjustments made through the 2023 special budget meetings as outlined in Appendix 1; subject to adjustments under the Business Plan Options section of the agenda;
2. That the Land Development Business Line Operating Plan for 2025 totalling \$9,362,800 in expenditures and \$9,362,800 in revenues be approved, which includes adjustments made through the 2023 special budget meetings as outlined in Appendix 1; subject to adjustments under the Business Plan Options section of the agenda;
3. That the 2024 Capital Budget totalling \$67,726,000 be approved, subject to adjustments under the Business Plan Options section of the agenda; and
4. That the 2025 Capital Plan totalling \$93,892,000 be approved, subject to adjustments under the Business Plan Options section of the agenda.

BACKGROUND

At the [July 25, 2023](#), [August 15, 2023](#) and [August 31, 2023](#) Governance and Priorities Committee (GPC) special budget meetings, GPC made numerous decisions that are now included in the 2024-2025 Preliminary Business Plan and Budget Document. The details of these decisions and previous adjustments that impact this business line are included in Appendix 1. Through approval of the recommendations in this report, the adjustments directed by City Council for this Business Line as part of the Special budget meetings will be confirmed and implemented as part of the 2024/2025 Business Plan and Budget. If City Council wishes to adjust any of the previously directed changes, direction through a resolution would be required.

The 2024-2025 Preliminary Business Plan and Budget was released on November 9, 2023.

At its meeting on September 27, 2023, when considering [Temporary Lease of City-Owned Parking Lot to Saskatchewan Health Authority for a Park N' Ride](#), City Council resolved:

- “1. That a lease agreement for 232 and 240 Avenue C North with a five-year term and six-month termination option between the City of

Saskatoon and Saskatchewan Health Authority be approved as outlined in this report; and

2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.”

Within the September 27, 2023 report it was stated that should the lease be approved, the additional revenue net of the lighting expenditures would further reduce the funding gap that has been identified for the 2024-2025 budget submission.

DISCUSSION/ANALYSIS

Land Development Business Line Operating Budget

Following the release of the 2024/2025 Budget document an additional \$40,000 in revenue and \$40,000 in expenditures for 2024 was added due to the resolution on the temporary lease of the City-owned lot from the September 27, 2023 City Council meeting. This adjustment included a \$40,000 increase in revenue offset by a transfer of \$40,000 to the Taxation and General Revenue business line. The Preliminary Budget now includes a total of \$10,043,700 and \$9,362,800 in expenditures, in 2024 and 2025 respectively, for the Land Development Business Line. This is a \$2,973,100 (42.0%) increase in 2024, and a projected decrease of \$680,900 (-6.8%) in 2025. Land Development is a self-supported business line with no reliance on the property tax.

This business line also includes an equivalent amount of non-tax revenue sources. The increases in revenue are due to adjustments in lease revenue on City owned land managed by Saskatoon Land (\$618,700 in 2024 and \$35,000 in 2025). In addition, increased revenues of \$1,604,400 in 2024 are due to anticipated increases in both single and multi-unit sales, offset by decreases in both commercial and industrial sales. A decrease of \$715,900 in 2025 has been deducted from revenues due to an anticipated decline in all categories of land sales.

Land Development Business Line Capital Budget

The Land Development Business Line includes \$67,726,000 and \$93,892,000 in funded capital projects, most notably:

- \$43,685,000 and \$34,343,000 for direct servicing costs attributable to Saskatoon Land development areas;
- \$22,822,000 and \$57,385,000 for offsite servicing costs of arterial roads, primary water mains, trunk sewers and lift stations; and
- \$665,000 and \$2,164,000 for a variety of parks in Aspen Ridge, Brighton, Rosewood and Kensington.

Additional Options

At the August 31, 2023 GPC special meeting the [Land Development Business Line](#) information was presented and is included as in Appendix 2. Within that report there were options for budget reductions that were not recommended by Administration,

but City Council could still choose to include these options within the 2024-2025 Budget. City Council prioritized these remaining options and the results of that prioritization were presented within Appendix 1 of [the 2024 and 2025 Prioritized Budget Options](#) report at the September 13, 2023 GPC meeting.

These available options for the Land Development Business Line totaling \$225,000 in 2024 that could still be considered are listed in Table 1 below including the number of votes for consideration from the September 13, 2023 meeting. Further information regarding each option can be found in Appendix 2.

Table 1 – Remaining Options

Option	2024 Reduction	2025 Reduction	Votes
3 - Additional Billboard Locations	(200,000)	-	3
2 - Reductions to Land Maintenance Expenditures	(25,000)	-	2

FINANCIAL IMPLICATIONS

The financial implications are included in this report.

OTHER IMPLICATIONS

There are no privacy, legal, social, or environmental implications identified.

NEXT STEPS

Upon approval of the Preliminary Budget, the Administration will finalize the Approved Business Plan and Budget to be released in 2024.

APPENDICES

1. Previous GPC Decisions
2. Land Development Business Line – August 31, 2023

REPORT APPROVAL

Written by: Gillian Wrubleski, Financial Analyst
Reviewed by: Kari Smith, Director of Finance
Clae Hack, Chief Financial Officer
Approved by: Jeff Jorgenson, City Manager