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Town of Unity Townhouse Development

Feasibility Report

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COMM 448 MANAGEMENT CONSULTING

Executive Summary

As part of the COMM 448 Management Consulting course taken at the Edwards School of Business a feasibility analysis of a multi-unit townhouse development on an un-subdivided parcel of land was completed for the Town of Unity. This development will be adjacent to the recently developed 8th Avenue residential subdivision in the Town of Unity. A major component of the project is to highlight the business case for establishing the feasibility of this development.

The main objective for this feasibility study was to determine the cost estimates to develop the land and construct the townhome development, determine a needs assessment throughout the Town of Unity, as well as determine a conceptual design for these units with the assistance of a local drafter, Veritas Design Technologies. The feasibility analysis will assist in determining the optimal number of units, along with estimated selling prices upon industry margins and an appropriate price point for housing in the Town of Unity.

An initial deliverable was provided on a comparative analysis of townhome developers within Saskatoon. This analysis provided some prospective designs for the future townhome development within the Town of Unity. Specific aspects of the analyzed current developments were proposed to be incorporated into the future townhome development.

By considering the limitations of the townhome development, such as the parcel of land requirement's, three Saskatoon developers were analyzed based on their existing developments on similar sized parcels of land. Aspects that were analyzed were the square footage of the units per size of property, concepts, designs feasible for this development and current market selling prices.

Based on specifications provided by the Town of Unity, the townhouse development can cover a maximum of 2,106.15m^2 and build to a maximum of two and a half stories tall. Through research, information was gathered regarding various layouts, conceptual designs, price points and developers. The average sale price of the townhomes built in Saskatoon ranged from $300,000-$400,000. It was common for townhomes to have 2 to 3 bathrooms with 1.5 to 2.5+ bathrooms with the limited square footage of the townhome sizes.

By providing a variety of concepts and designs, average unit sizes, unit layouts and differences between what each developer offered, potential ideas that may be incorporated into the future townhome development in the Town of Unity were proposed.

A survey was then administered via Survey Monkey to the residents of the Town of Unity to seek the demand for a townhouse development in the Town of Unity. The survey collected data on the types of housing that people currently reside in and what they would like to live in. The questions in the survey were designed to gather information about the specifications and characteristics that potential buyers were looking for in a townhouse development. Data that was collected from the survey played a crucial role in determining the demands of potential home buyers/renters of these townhome units.

Survey results found that home ownership and bungalow housing best described many residents' current living situation. Further results stated if residents were to change housing situations that

they would continue to pursue an ownership type structure and would pursue similar housing such as bungalows or semi-detached homes. Some respondents that currently reside in a bungalow, semi-attached, semi-detached, or apartment/condominium stated that they would consider moving to a townhouse.

A key finding from the survey results was that there is a need for more affordable housing and handicap accessibility options; as 45% of respondents stated that they felt there is a not enough affordable housing and accommodation for handicap needs. Of the respondents surveyed who stated that they were not planning on changing their current living situation within the next several years, stated that it was primarily due to the lack of affordable housing. Respondents expressed that the housing market is too high for their current financial situation and would have interest in a prospective townhome development if they were made affordable for either purchase or rent.

A costing report was compiled with provided estimates and information by Walker Projects, Veritas Design Technologies, and BRT Consulting Ltd. Walker Projects provided a cost breakdown of the 8th Avenue West parcel in the Town of Unity for paving requirements, service requirements, and earthworks (see Appendix II). Walker Projects made note that cost estimates were taken from a previous development within the Town of Unity, inflated by 3.7% to 2017 pricing. Veritas Design Technologies provided the potential site plans and conceptual designs for the townhouse units and cost estimates for the construction of the provided townhome design concepts.

BRT Consulting Ltd. was able to provide cost estimates on extending power and gas lines to the parcel of land. BRT Consulting Ltd. is an Alberta company that has worked on projects in Saskatchewan and was able to provide estimates based on the size of the land, site plan, and previous knowledge when working with Sask Power and Sask Energy in construction, regarding costs of installation/extension.

Purchasing the parcel of land from the Town of Unity comes at the cost of $233,451.52 plus GST. This includes the costs of water and sewer mains, storm sewer infrastructure, curbing/sidewalk paving, and street lighting. Walker Projects has indicated that underground works for the development would cost $89,000, and $329,000 for surface works. Walker Projects has also indicated that materials testing would cost $25,000, $50,000 of engineering fees, and $84,000 contingency fees. Total estimated costs from Walker Projects are $577,000, less $20,000, as per a later email indicating that costs were over-estimated. BRT Consulting Ltd. indicated that depending on the power requirements of the development, to expect extension/installation of lines to cost around $40,000-$50,000, and the cost to extend natural gas lines, assuming some road may need to be dug up, was around $30,000. Total estimated costs from the Town of Unity, Walker Projects, and BRT Consulting LTD. are estimated at $870,452 ($233,452 + $557,000 + $50,000 + $30,000 - $20,000).

Contents

Note to the Reader

The information contained in this document is part of the Comm 448 Student Management Consulting Projects at the Edwards School of Business. This report does not claim to represent accuracy or facts in terms of making an investment decision. Instead, the findings and research in this report are intended to assist in generating interest and discussion in this investment opportunity and to assess what further research is needed.

Introduction

The purpose of this project is to determine the feasibility of establishing a multi-unit townhouse development of an unsubdivided parcel of land, adjacent to the recently developed 8th Avenue residential subdivision in the Town of Unity. The main purpose is to determine the business case for establishing this development.

The main objectives for this feasibility study are to determine the cost estimates to develop the land and construct the townhome development, determine a needs assessment throughout the Town of Unity, as well as determine conceptual designs for these units from the assistance of a local drafter, contractor and external consultant. This feasibility analysis will assist in determining the optimal number of units, along with estimated selling prices upon industry margins and an appropriate price points for housing in the Town of Unity.

A housing plan for the Town of Unity was completed by Prairie Wild Consulting in 2015, and a Business Gap Analysis and Targeted Attraction Strategy was completed in 2016. The Town of Unity is an industrial town that specializes in agriculture, mining, oil, and gas. In recent years Unity has seen an influx in the number of people moving to and remaining in Unity; at times this has resulted in a housing shortage. Through this analysis, it will analyze the feasibility of a townhouse development to provide additional housing to current and prospective residents of Unity.

In 2015, a housing study was performed on the Town of Unity to help gather information for future housing developments. This study analyzed the types of housing throughout the town such as single detached, multi-unit apartment, duplexes, semi-detached, single-attached and movable-type residential dwellings. 81% of dwellings in the study were single-detached homes. Of the multi-unit housing complexes, almost all of them were adult only, which is where a gap was found to offer multi-unit housing options for residents to either purchase or rent that is open to all demographics.

An assessment was completed on the opportunities and possible challenges of a townhouse development on an un-subdivided parcel of land, adjacent to the recently developed 8th Avenue residential subdivision in the Town of Unity. In the assessment, a comparison of three developers based out of Saskatoon were compared with respects to their floor plan options. The options that were compared included options for a garage, two to three bedrooms, and one to two-and-one-half bathrooms. Average selling prices of townhomes that were previously sold by Saskatoon

developers were also taken into consideration and were adjusted to suit the housing market in the Town of Unity.

A second assessment was survey to conduct a needs assessment for a townhome development by the Town of Unity residents. The survey was developed and designed to gather input from potential home buyers/renters with regards to the townhouse development. Questions in the survey were designed to gather information about desired specifications and characteristics to implement into the future townhouse development. The survey was designed to assist in determining the feasibility of establishing a multi-unit townhouse development on an unsubdivided parcel of land, adjacent to the recently developed 8th Avenue residential subdivision in the Town of Unity.

The objective of the last assessment of the feasibility report was to determine the cost estimates to develop the land and construct the townhome development. UtilizingWalker Projects, Veritas Designs, and BRT Consulting Ltd.cost estimates were compiled to gain an understanding of the overall project cost. These costs included pre-construction servicing, land development requirements, and townhome construction estimates. Secondary research for this assessment included online resources in determining general costs for each component of the construction process. Primary research was conducted through direct contact with contractors and developers. Walker Projects provided cost assessments for the requirements to bring the parcel of land up to grade as well as costs to extend water lines. Veritas Design Technologies provided potential site plans that included, concept and designs for the townhomes, visitor parking, and green space area. Lastly, external contractors provided cost estimates to extend power lines and natural gas lines to the intended sites.

The following report contains all of the completed deliverables conducted, with recommended actions, implementation plan and a final conclusion on the potential townhome development feasibility in the Town of Unity.

Methodology

Phase 1: Assess the Area for **Development**

To get a better understanding for the need of a Townhouse development in the Town of Unity, interviews of key personnel were conducted, an analysis of documentation provided by the Town of Unity, and a needs assessment were completed. This determined the key stakeholders for the feasibility study. Collecting important contact information from individuals who assisted in the concept/design and construction cost estimates occurred during this phase.

Primary Research

- Interviewed key individuals from the Town of Unity with knowledge of this area and other similar developments.

Secondary Research

- Examined key documentation provided by the Town of Unity.

Phase 2: Comparable Analysis of Saskatoon Developers

Data and information were collected from Saskatoon developers and compiled to provide the Town of Unity various floor plans, options, and price points. This data compilation was then used by the Town of Unity to compare prices and conceptual designs with a local developer and help the Town of Unity in making an informed decision for development.

Primary Research

- Interviewed 3 industry contractors to get a general sense of key issues and challenges.

Secondary Research of Costing Website for Developers

- Examined 3 developer websites to determine costs and assess layout designs.

Phase 3: Survey to Determine Needs Assessment for Designs in Town of Unity

A survey was developed and conducted in order to gain valuable input from the residents of the Town of Unity, with regards to the townhouse development. The survey gave more information on the specifications and characteristics that were in demand for potential buyers/renters of the townhouse development. This also provided a better understanding of the demographics of potential buyers/renters.

Primary Research:

- Developed a survey that was administered to the residents of the Town of Unity. This included developing questions and engaging key stakeholders for feedback.

The survey was administered via Survey Monkey and uploaded to the Town website.

Phase 4: Costing Research

In this phase, a cost assessment was created to prepare the land for development and gather cost estimates from various stakeholders to assess the feasibility. This included costing out the development of bringing the land up to grade, the cost to extend utilities to the land, and construction costs for the townhomes.

Primary Research

- Contacted key people at Walker Projects, Veritas Design Technologies, and an external consultant.

- Walker Projects: Provided estimates to bring land to grade
- Veritas Design Technology: Provided townhome concepts and designs and the site plan
- BRT Consulting: Provided estimates to extend utilities to a parcel of land

Secondary Research:

Online research was completed to determine the cost of each component of the construction process (i.e., costs of a construction company to bring the parcel to grade, a compilation of various developers and conceptual designs/pricing from Phase 2 may be used in Phase 4).

Phase 5: Compile information for Scenario Analysis of Possible Designs and Options

Gathered valuable evidence from the survey, and a cost comparison of Saskatoon developers and online research was compiled and analyzed the data to arrive at a few possible design layout/concept options. Contact between key personnel provided by Carey Baker (e.g. Walker Projects) occurred at this stage in order to discuss the feasibility of the proposed options.

Assessment of the proposed Area for Development

The specifications of the proposed parcel of land must be considered as a foundation of research. A local engineering firm from the Town of Unity provided the following information on the property and development regulations.

The parcel of land was measured to be 66.25 m x 127.18 m x 144.34 m, in which 50% of the land can be covered by the taxable infrastructure to comply with municipal bylaws for the Town of Unity. The Town of Unity has bylaws stating that townhomes/fourplexes must:

- Cover a minimum site area of 560m^2
- Have a minimum floor area of 56m^2
- Have a minimum site frontage of 20m
- Have a minimum of 1.5 parking spaces/dwelling unit
- Have a minimum front yard of 6m
- Have a minimum rear yard of 6m

- Have a minimum side yard of 3m or 50% of the average wall height
- Based on these measurements, 2,106.15m^2 (50% of 4212.3 m^2) can be the development

**Per Town of Unity Zoning Bylaw 939-P-09 – 5.7.3 Site Development Regulations*

Land and bylaw restrictions must be taken into consideration when developing property in the Town of Unity. Due to the regulations set out in the municipal bylaw, the designs in this report adhere to the bylaws. The most common number of bedrooms to bathroom ratio in current townhome developments was an influence in deciding which type of floorplans to include in this report.

Comparable Analysis of Saskatoon Developers

In the section below there is a comparative analysis of three Saskatoon developers, which compare the sale prices, floor plan/layout, and options associated with current townhomes on the market. This analysis will provide a general idea for site layout and an optimal number of townhome units.

Developer #1: North Prairie Developments

Living Stone Townhomes start at $319,900, featuring outdoor living, orchards and gardens, pet-friendly, and green initiatives. Living Stone Townhomes foster a community environment that brings neighbors together through landscaping and garden plots in their backyards.

Living Stony Townhomes offer green initiatives that include organic food production, recycling program, and resource efficiency which work together to save dwellers money and make the Earth greener.

Figure 2.1 – North Prairie Developments

Figure 2.1 shows a conceptual design of what a townhouse development could look like on the 8th Street parcel of land, on a much larger scale. The parcel of land in question could house 1 – 2 townhouse developments, depending on the square footage.

Key Points to Consider:

- Garage option is limited depending on the size of the floor plan (square feet)
- More units can be constructed, as the square foot of units decrease
- Need to determine needs assessment for alleyway and parking

Figure 2.2 shows a conceptual design, with three bedrooms and 1.5 bathrooms. The total square footage of the townhome's interior is approximately 1200 sq. ft. and the total space covered by the lot would be approximately 600 sq. Ft. per unit. This townhome style would allow for approximately 35 townhomes to be developed without garages.

Figure 2.2 – North Prairie Developments

Figure 2.3 shows a conceptual design, with two bedrooms, 1.5 bathrooms, and a garage. The total square footage of the townhome's interior is approximately 1085 sq. ft. and the total space covered by the lot would be approximately 464 sq. ft. per unit. This townhome style would allow for approximately 48 townhomes to be developed with garages.

Figure 2.3 – North Prairie Developments

Developer #2: Riverbend Developments

Average selling price for these units varied dependant on a two or three-bedroom floor plan. The selling prices for these units ranged from $339,900 to $359,900 based on the current market demand stated by the developer (Figure 3.1). Each unit was consistent around 1,312sq ft for non-end units which were slightly larger at 1,332sq ft. Another aspect of this design and selling price is that each unit comes with a large single detached garage. Below is a list of key features that Riverbend Developments offer with this townhouse development.

Figure 3.1 – Riverbend Developments

Key Features (figure 3.1):

- Modern style architecture and finishing (interior/exterior)
- Private fenced yard with detached garage
- Natural gas BBQ outlet
- High energy efficient utilities, heating, ventilation and air conditioning (HVAC)

Project Description

29 units fronting on Evergreen Boulevard.
Two story model, complete with detached garage.
Private rear yard.
Two and three bedroom models.

Floor Plans

Figure 3.2 – Riverbend Developments

As seen in Figure 3.2 you can see how the bedrooms are isolated on the 2nd floor which gives residents privacy from the main floor kitchen and living area. The 2nd floor shows two or three-bedroom layout options which can show the change in the size of bedrooms as well as bathrooms, based on the option chosen. While one benefit is having the same offer for main floor layout, just because a decision is made between a two or three-bedroom layout does not limit the functionality of the main floor.

Figure 3.3 – Riverbend Developments

The proposed Site plan as seen in Figure 3.2 for this townhouse option is provided. As seen in the yellow square outline, you will notice how this developer has grouped these townhomes (shown in blue) as groups of four, each with a single detached garage with street access. Additionally, this site plan allows for each unit to have street parking in front of their unit. This site plan was added as a reference point to compare with the lot size of the proposed townhouse development in the Town of Unity as well as provide potential site plan layouts.

Key Points to consider:

- The proximity of townhome units within each other may cause a sense of lack of privacy.
- Future pathways/roadways will determine the location and orientation of townhome units
- Alleyway if garage access is needed will need to be within bylaw regulations
- The fenced or open backyard will play a factor in the privacy aspect of individual townhomes

Developer #3: Homes by Dream

The unique aspect of this type of townhome development is the level of customization and variety of home layouts it offers. This type of concept offers standard layouts for three separate styles of townhome units. Which means a home buyer has a lot more variety to choose from eliminating the 'cookie cutter' feel. These units come standard with two or three bedrooms and either 1.5 or 2.5+ bath dependant on the number of bedrooms (Figure 4.1).

Figure 4.1 – Homes by Dream

Key points to consider

- Number of bedrooms offered by each style of home will offer different bathroom layouts
- Each style of townhome offers different sizes of townhome units (square footage)
- The development provides prospective homebuyers with a few price points and feature options
- Provides the most flexibility when considering Townhome developments

The three styles of townhomes with this option are as follows:

Ella (Figure 4.2): The Ella design is the second largest unit out of the three units they offer. Although it offers the same features as the larger square foot townhouse, this option allows for a $10,000 decrease in overall price for home buyers.

- $314,900.00
- 2.5+ Baths
- 3 Bedrooms
- 1120 square feet

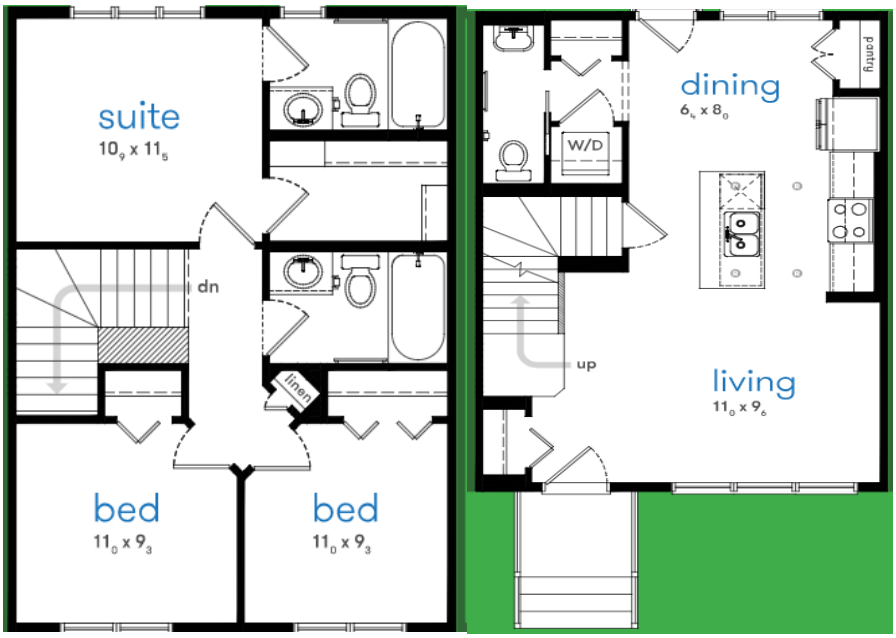


Figure 4.2 – Homes by Dream

Carter (Figure 4.3): Carter design is the largest of the options available by Riverbend Developments. As stated above this option is $10,000 more than the Ella, but it offers close to 150 square feet more to the layout. This option also has larger bathrooms and closets when comparing to the other two options.

- $324,900.00
- 2.5+ Baths
- 3 Bedrooms
- 1264 square feet

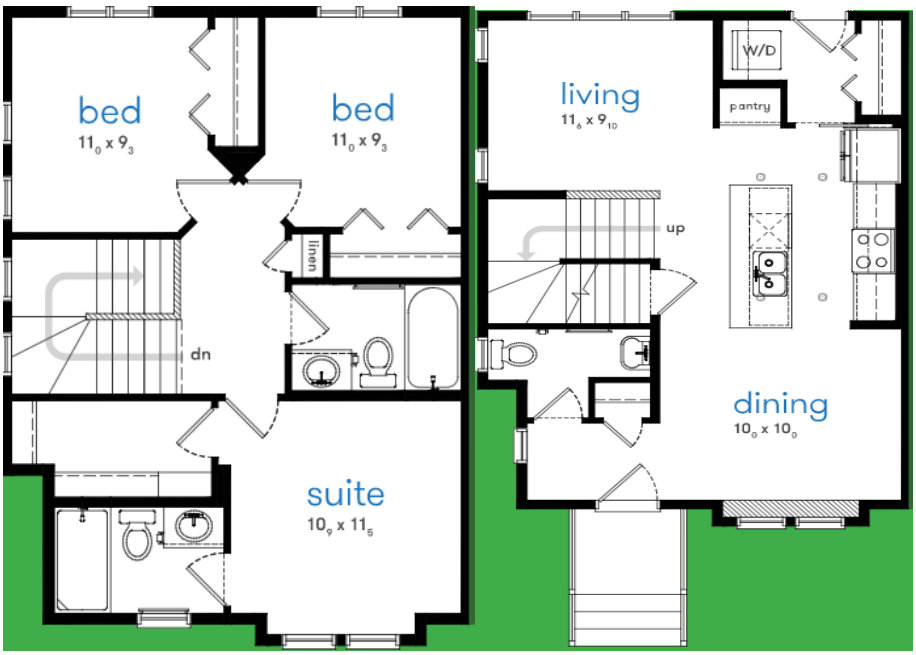


Figure 4.3 – Homes by Dream

Fynn (Figure 4.4): The Fynn design is the smallest option with only two bedrooms and 1.5 Baths. This option provides potential home buyers with a cheaper option that still contains the same features (appliances etc..) throughout the townhouse.

- $284,900.00
- 1.5+ Baths
- 2 Bedrooms
- 936 square feet

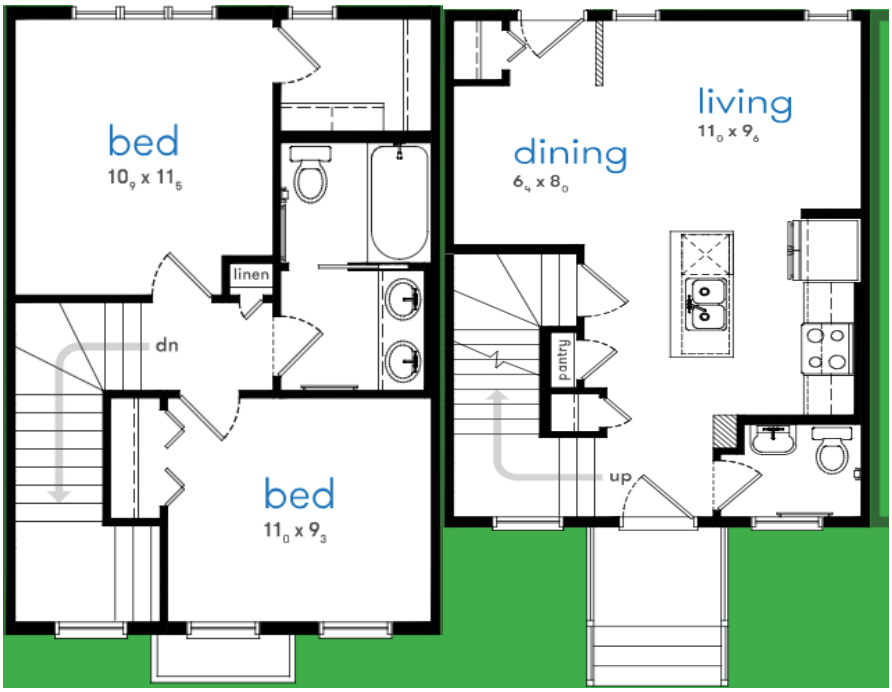


Figure 4.4 – Homes by Dream

Comparing Data

After analyzing a few developments within Saskatoon on similar sized parcels of land, a few concepts and designs are proposed. The square footage of units ranged from 936sq ft to 1720sq foot, where the average size of townhome units was around 1200sq ft. The comparison of developers includes providing options for two to three bedrooms, garages, two to three levels as well as modern, or older character styled townhomes.

On average for a 3-bedroom townhome, a home buyer would be looking at around $300,000 and dropping slightly below for a two bedroom. The main comparisons between the concept and designs provided are showing the differences between the types of layouts developers have chosen, the site plan of the units, and what the units offered based on the square footage.

After assessing the proposed parcel for development, it was necessary to determine the optimal site plan and conceptual design to best serve the needs of the Town of Unity. By providing this information, it will better allow us to gain an understanding of the number of units to be constructed based on existing developments.

The developments compared to this report analyze different aspects of townhomes such as the number of bedrooms, number of bathrooms, whether a garage is feasible and desired townhome designs.

Please note that selling prices in this report are based on home sales in the City of Saskatoon. Townhomes in the Town of Unity would be priced based on its current market value and demand at the time of sale.

Survey Analysis: Needs Assessment

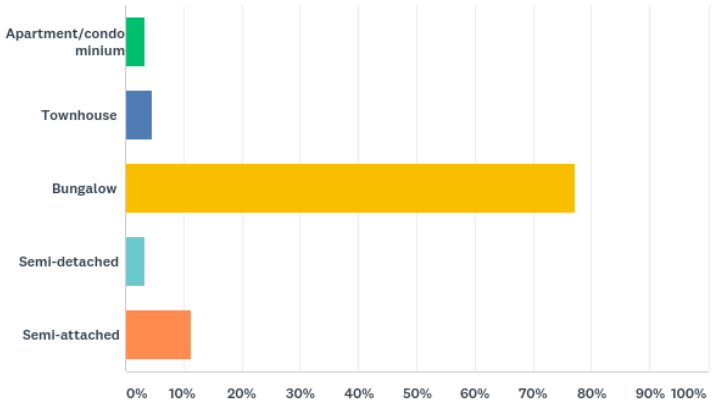
The following section provides a summary of the survey results attained through a needs assessment survey for a potential townhouse development for the Town of Unity. The analysis shows the residents of the Town of Unity's input on their perspective of a townhouse development. This survey was used to determine the feasibility of this proposed development and whether there is a need for more townhomes within the Town of Unity.

The following questions are stated below with the results from 88 respondents to this survey; these questions were developed to gain a consensus of the demographic, current resident living situations, and satisfaction. The results are as shown below with a summary of our findings for each question.

Survey duration: 02/01/2018 – 02/25/2018

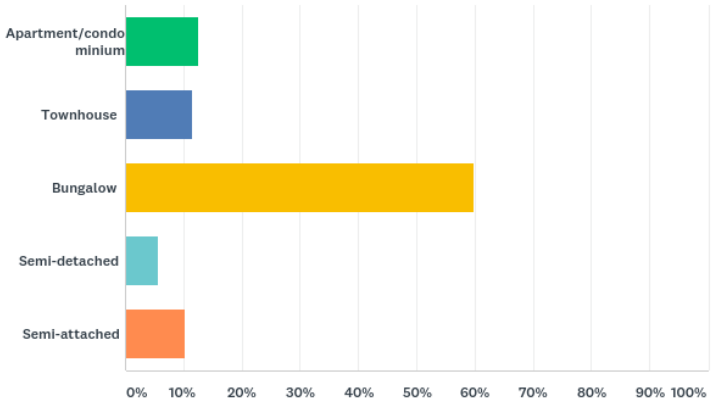
Respondents: 88

Q2 Which of the following best describe your current living situation?



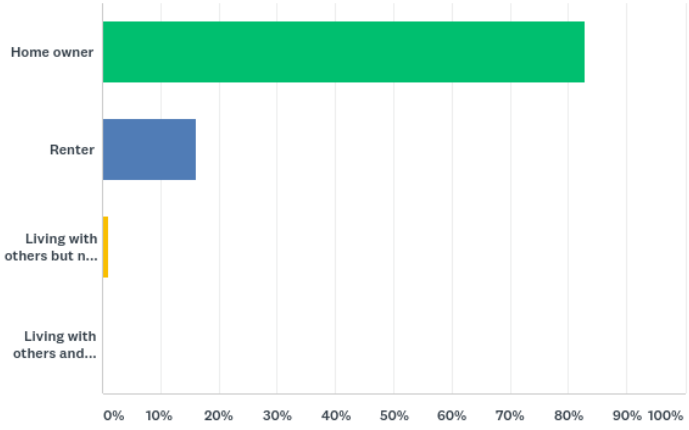
Majority of respondents stated that they currently reside in a bungalow (77.27%), while the second most common dwelling was a semi-attached home (11.36%), and (4.55%) residing in a townhome. It was a common occurrence throughout the survey that residents preferred to live in bungalows, and if they were to move in the near future, they would continue to look for a similar living situation (bungalows).

Q3 What type of housing can you see yourself/your family living in within the next ten years?



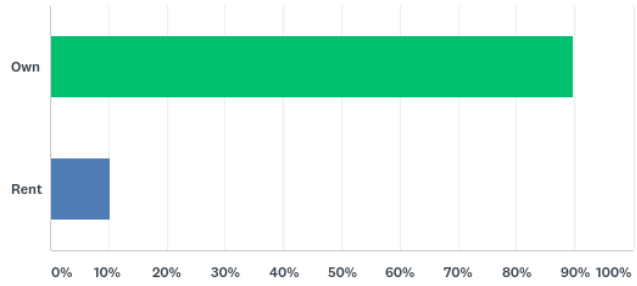
Majority of respondents stated that they could see themselves living in a bungalow within the next ten years (59.77%), 12.64% could see themselves living in an apartment/condominium, and 11.49% could see themselves living in a townhouse. These survey results suggest that there could be a 6.94% increase in townhouse dwellers (4.55% currently residing in a townhome, and a total of 11.49% seeing themselves living in a townhome).

Q4 Which of the following best describes your current housing situation?



Majority of respondents are currently homeowners (82.76%), while 16.09% are currently renting. When the proposed townhouse development proceeds, to gain the best attraction, ownership options will need to be made available to prospective home buyers.

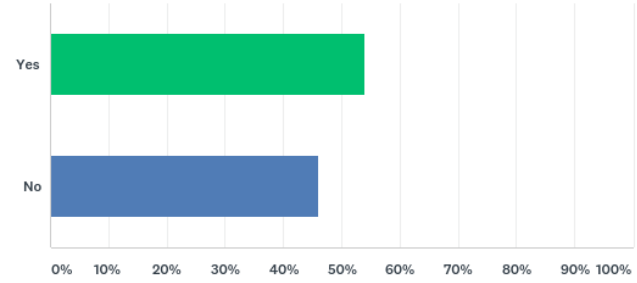
Q9 What ownership structure do you prefer



In comparison with the current housing structure that best describes respondents current living arrangements, 89.66% of people prefer to own a home, whereas 10.34% prefer to rent.

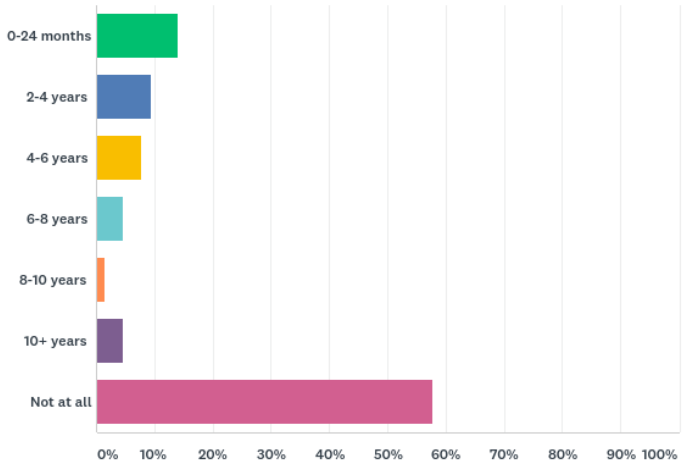
Concluding questions 8 and 9, providing the option for home ownership is important when determining the end turnover process, as it is the most desired living situation.

Q10 Do you feel that there is adequate affordable/handicapped accessible housing in your area? If not please explain why.



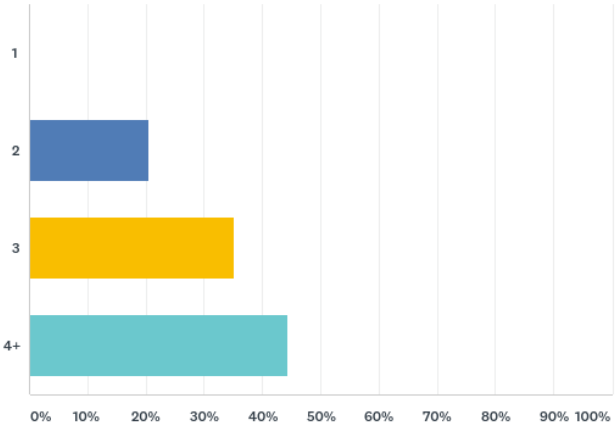
Responses were close to those that felt there was adequate affordable/handicapped housing in their area. In a sample analysis that was taken from survey respondents that were currently unhappy with their living situation, it was found that residents feel that there is currently a lack of affordable and handicapped accessible housing. Those that were seeking affordable housing options stated that there is currently a waiting list for affordable housing, in which rent is 30% of the tenants' income. Respondents also expressed that the housing prices in Unity are high when considering the surrounding amenities, leisure centers, and employment opportunities, and are comparable to housing prices in the City of Saskatoon.

Q5 If you do not currently own a home, are you planning to purchase within the next:

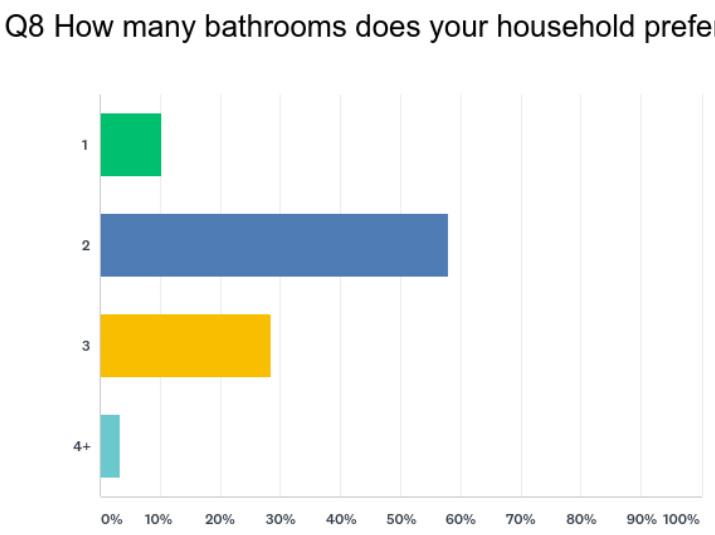


57.81% of respondents do not plan to purchase a home within the next ten years, while 14.06% plan to purchase within the next 0-24 months, 9.38% within the next 2-4 years, 7.81% within the next 4-6 years, 4.69% in the next 6-8 years. Based on this data, the best time to build and sell the townhomes would be within the next four years.

Q7 How many bedrooms does your household prefer?



44.32% of respondents indicated that they would prefer 4 or more bedrooms, 35.23% prefer three bedrooms, and 20.45% prefer two bedrooms. A combination of two and three bedroom dwellings is recommended to cater to the demand of the majority of respondents. If there were to be additional units over three to four bedrooms this would subtract from the square footage of other areas of the home.



57.95% of respondents indicated that they would prefer two bathrooms, 28.41% prefer three bathrooms, and 10.23% prefer one bathroom. To cater to the wants of the majority, it is suggested that each unit have a minimum of 1.5 bathrooms, as well as the option to have two full bathrooms. One challenge noted with this survey is half bathrooms were not considered, whereas the options presented for only full bathrooms.

The average number of adults in households surveyed were between 1 and 2, where the average number of people living in the home under the age of 18 were most commonly between 0 and 2, with some respondents indicating 3, 4, and five persons under 18 years of age.

Analysis of Questions from Survey

After analyzing individual responses, the majority of residents currently reside in a bungalow and are the age range between 40-70 years old. The consensus of the survey results leans towards not viewing the townhome development as positively as anticipated, due to the fact that most of these respondents are in the middle age demographic, currently own their homes, and are not in need to move. Other comments that were against this potential townhome development was due to the fact that they would rather see money invested into other developments such as a recreation center, bowling alley or some form of entertainment development. While others feel the townhome development would be good for the Town of Unity if there were a business in the Town of Unity to create a bigger economy within the town.

Thematic Analysis of Comments from Survey

Several themes presented itself during an analysis of the survey results. This analysis was used to emphasize patterns that were prevalent throughout all the data. Some themes that were present in these results were as follows:

- Focus on investing in other aspects within the Town of Unity
- Walk-out basement accessibility
- Garage with easy access
- Senior citizens and single parents were most interested
- Respondents live close to work

Focus on investing in other aspects within the Town of Unity

Several respondents stated that they would rather see the money being invested into this potential townhome development be used elsewhere. Such as investing in entertainment developments like a recreational center, bowling alley or arcade center in order to gain more attraction to the Town of Unity. Or invest in creating businesses to create jobs within the Town of Unity in order to make the townhome development feasible. There needs to be work for individuals to be able to afford to house, as well as, to attract residents residing outside the Town of Unity to move into the Town.

Comments Regarding Lack of Jobs and Entertainment

> *"…there's nothing to do here for moms with babies or small children…. Jobs are all farm or oilfield based."*

> "*I think it's a poor choice to invest in more housing when this town has so many empty rentals when you could be investing in something that could promote clean energy to create jobs or some form of entertainment such as a multiplex sports center, indoor playground, bowling alley, or arcade."*

Walk-out basement accessibility, garage with easy access

Pet-friendly housing, garages, and walk-out basements were mentioned numerous times in the respondent's comments. These are aspects that can be incorporated into the concept and designs of the townhomes themselves. Providing these options to potential home buyers is another attractive aspect to ensure the sale of the townhomes.

Comment regarding walk-out basement accessibility

> "*We prefer ground level entrance type of home with outdoor access to both front and rear of the home as well as an attached garage."*

Senior citizens and single parents were most interested

Another theme involved a view that there is a lack of affordable housing options and that there are wait lists to get access to affordable housing. Respondents indicated that 30% of household income is allocated to rent for affordable housing options and that dwellers often find that this is

too high and not in their budget. A down payment grant would be a great way to assist first-time homeowners with the costs of acquiring a new asset and would be beneficial to the population that may not have the financial capabilities to do so, but are interested in owning a home.

Comment Regarding Affordability of Housing

> *"Affordability needs to be an absolute must built into any future projects considered in our community. Even if it is an inclusionary model where a minimum 25-35% of the units are built in a minimalist fashion to make them both affordable to those in need as well as giving the contractors the ability achieve a return."*
>
> *"In larger centers there are companies who are in partnership to provide affordable housing initiatives. This would be a huge benefit to first time homeowners and our up and coming generation in our town. It would be a nice incentive to stay in our town because of the possibility of homeownership would be attainable. Having two-unit options (bottom two-bedroom one floor unit on the bottom (wheelchair accessible and more targeted towards single people) with a larger three or four bedroom unit over top of this bottom unit I feel would target a major group of residents in town that are in need of housing."*

Another prevalent theme was that there is a lack of handicap accessible housing options. As the population ages, they are experiencing mobility issues in both their homes and in the Town of Unity. Results indicated that townhomes may be a great solution for the aging population, who still want to and can remain independent, provided that they are given access to resources in their home to aid with mobility. Respondents indicated that sidewalks are broken up and need repair, as they are not friendly to those requiring the use of a wheelchair or other type of mobility aid.

Comment Regarding Mobility in the Town of Unity

"Sidewalks are broken up and heading. Many businesses have made wheelchair accessible, but most buildings are older and not made to accommodate wheelchairs."

Respondents live close to work

The majority of respondents lived an average of less than 10km to work, which means that this townhome development would be within that range as well, due to the fact of the Town size. This is an attractive aspect of the development is that residents won't be required to live far from their place of work.

Thematic Analysis of Specific Sample

To gather a deeper understanding of key issues, out of the 88 responses only 25 respondents stated that are currently unhappy with their living arrangements. Using these results,we further analyzed for demographics and housing preferences. The majority of respondents currently reside in a bungalow, could see themselves living in a bungalow for an extended period, and prefer to own their home. Of those that were unhappy with their current living arrangements two currently live in a townhome, eight want to move to a townhome, and six want to move to a

condo. Majority of respondents prefer the ownership structure and would like to see more affordable housing options in Unity.

Summary of Findings

The survey results showed that home ownership, 82.76%, and bungalow housing, 77.27%, were the most common findings of current living situations for the residents of the Town of Unity. Further results stated that if residents were to change housing situations that they would continue to pursue to attain ownership (89.66%) and would look for similar housing such as bungalows or semi-detached homes. Although 11.49% of respondents claimed that they would consider living in a townhouse, which is a positive increase of 6.94% of townhome dwellers from the current living situations of the respondents.

The following results show a timeframe of when respondents plan on looking for different housing:

- 14.06% of respondents plan to purchase a home within 0-24 months
- 9.38% of respondents plan to purchase a home within 2-4 years
- 7.81% of respondents plan to purchase a home within 4-6 years
- 4.69% of respondents plan to purchase a home within 6-8 years

Based on this data we can assume that the future townhome development would be most attractive if sales of townhomes occurred within the next four years.

Another key finding from the survey results was the need for more affordable housing and handicap accessibility. 45% of respondents stated that they don't think that there is adequate affordable housing or housing that accommodates handicap accessibilities needs. Of the respondents who stated that they were not planning on changing their current living situation within the next several years was because of the lack of affordable housing. Respondents expressed that the housing market is too high for their current financial situation and would have interest in a prospective townhome development if they were made affordable for either purchase or rent.

Majority of the respondents indicated that they would prefer housing that could accommodate 3-4 bedrooms with a minimum 1.5+ bathrooms. Due to townhome square foot restrictions, it was determined that four bedrooms was not a feasible option and implementing 2-3 bedrooms was the most realistic option, with 1-2 bathrooms accordingly. The average household of all the respondents had at least 1 to 2 adults residing in the home with at most two others under the age of 18 years old.

Targeted Issues Identified

Combining the survey questions with comments provided identified several important issues. The most important issue that was stated in almost all respondents' comments was the need for affordable housing within the Town of Unity. Affordable housing was one of the main reasons the townhome development was not as attractive as anticipated because of the current high housing and utility costs. The townhome development would be a very attractive option if it

could satisfy the need for affordable housing. Currently, some respondents are not financially capable of being able to afford a townhome and or the costs associated with moving and utilities. Handicap accessibility was the second most prevalent issue throughout the results which need to be addressed in the concept and design of townhomes; entrances, stairs, and hallways will need to be accommodating to the accessibility needs.

Townhomes are also a great option for the population that travels frequently, or simply can not keep on top of household maintenance such as snow removal, grass cutting, etc. Townhomes could be a great addition to the Town of Unity and potentially attract retirees, snowbirds, those with mobility issues, and those with a busy schedule. A common theme in survey responses is that residents think that a townhome development would be a great addition for those that want to maintain a low maintenance home (i.e., someone else to do snow removal, lawn care, and other yard work).

Town of Unity Townhome Price Analysis

Cost estimates of purchasing the parcel of land were provided by the Town of Unity. Walker Projects provided cost estimates and process needed to bring the parcel of land to grade. Estimates provided by Walker Projects estimated that the initial cost prior to bringing the land to grade will be $89,000 for sanitary sewer servicing, water servicing, and stormwater servicing. One this phase is complete the surface works costs for bringing the parcel of land to grade will be around $309,000. Other estimates provided was a $25,000 cost to test materials on site, $84,000 as a contingency fee (20% of construction costs), and $50,000 in engineering fees. Costs were derived using the Town of Unity 8th Avenue subdivision construction costs inflated by 3.7% to 2017 pricing (See Appendix II). Items not in the scope of work from the previous project were sourced from other projects. The following chart shows the cost break down provided by Walker Projects for the construction to bring the parcel of land up to grade.

UNDERGROUNDS					
Item	Description	Quantity	Unit	Unit Price	Extension
1.0	**Sanitary Sewer Servicing**				
1.1	Connect to Existing Sanitary Service Stub	1	ea	$ 5,000	$ 5,000
1.2	Sanitary Sewer Service Pipe incl. Excavation and Compacted Backfill (200 mm SDR 35)	40	m	$ 265	$ 10,600
1.3	Sanitary Sewer Fittings	1	ea	$ 775	$ 775
2.0	**Water Servicing**				
2.1	Connect to Existing Water Service Stub	1	ea	$ 5,000	$ 5,000
2.2	Watermain Pipe incl. Excavation and Compacted Backfill (200 mm PVC DR18)	40	m	$ 220	$ 8,800
2.3	Watermain Curb Stop	2	ea	$ 1,140	$ 2,280
2.4	Fire Hydrant	1	ea	$ 10,500	$ 10,500
3.0	**Storm Sewer Servicing**				
3.1	Connect to Existing Storm Service Stub	1	ea	$ 5,000	$ 5,000
3.2	Storm Sewer Pipe c/w Excavation and Compacted Backfill (250 mm PVC Ultra Rib)	70	m	$ 235	$ 16,450
3.3	900 mm Catchbasin incl. Base, Barrel, Rim and Cover	2	ea	$ 7,900	$ 15,800
3.4	1050 mm Storm Manhole incl. Base, Barrel, Rim and Cover	1	ea	$ 8,600	$ 8,600
Sub-Total					**$ 89,000**

SURFACE WORKS							
Item	Description	Quantity	Unit	Unit Price		Extension	
4.1	Topsoil Stripping to Stockpile	685	m^3	$	6.20	$	4,247
4.2	Imported Fill to Embankment	1,000	m^3	$	18.50	$	18,500
4.3	Common Excavation to Embankment	1,000	m^3	$	8.30	$	8,300
4.4	Subgrade Preparation (150 mm thick)	5,600	m^2	$	2.50	$	14,000
4.5	Granular Subbase Course (200 mm thick)	2,200	m^2	$	31.50	$	69,300
4.6	Granluar Base Course (150 mm thick)	2,200	m^2	$	24.60	$	54,120
4.7	Hot Mix Asphalt Pavement (50 mm thick)	2,200	m^2	$	43.50	$	95,700
4.8	Barrier Curb and Gutter	200	m	$	135.00	$	27,000
4.9	Barrier Curb, Gutter and Sidewalk	150	m	$	240.00	$	36,000
4.10	Topsoil Replacement and Coarse Grass Seeding	125	m^3	$	12.00	$	1,500
Sub-Total						**$**	**329,000**
Summary of Costs							
Total Construction Cost						$	418,000
Cash Allowance (Materials Testing)						$	25,000
Contingency (20%)						$	84,000
Estimated Engineering Fees						$	50,000
Total						**$**	**577,000**

**Note- a revision to the total in the table above is mentioned further in this report. The total estimated cost is to be reduced $20,000 to $557,000.

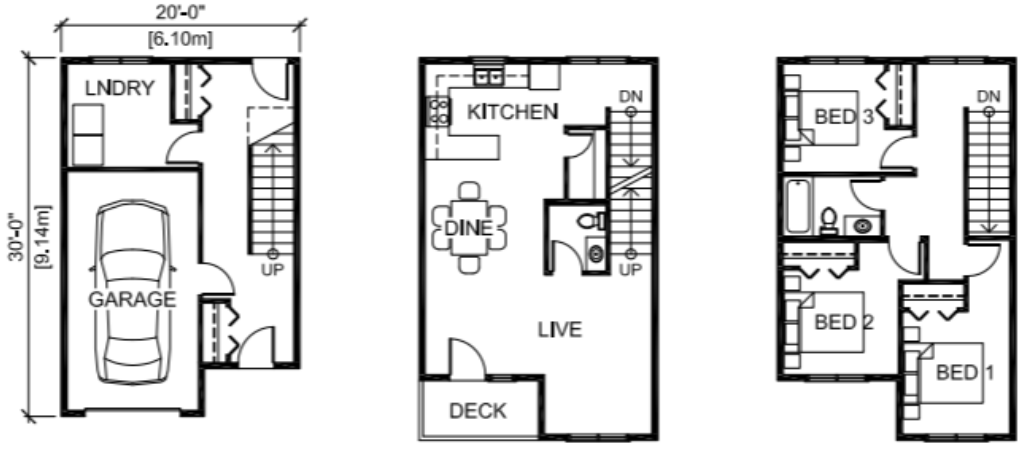
Veritas Design Technologies provided us with a site plan, three potential concepts and designs for the townhomes along with estimated selling costs. Veritas provided three different townhome design options ranging from 3-story to single story developments with 2-3 bedrooms. The design options are as follows:

3-story development

The following option is a 3-story design option that comes with 3-bedrooms and 2.5 bathrooms. This is the largest model provided at 1,510 sq ft and includes an attached garage. The garage and laundry are on the main floor while the kitchen and dining area is on the second floor leaving the third floor for the 3-bedrooms and a bathroom and shower. This option is best suited for families or more than 2 residents. The following concept and design are as follows:

3-STOREY TOWNHOUSES

With the following floorplan layout:



MAIN - 330 ft² SECOND - 590 ft² THIRD - 590 ft²

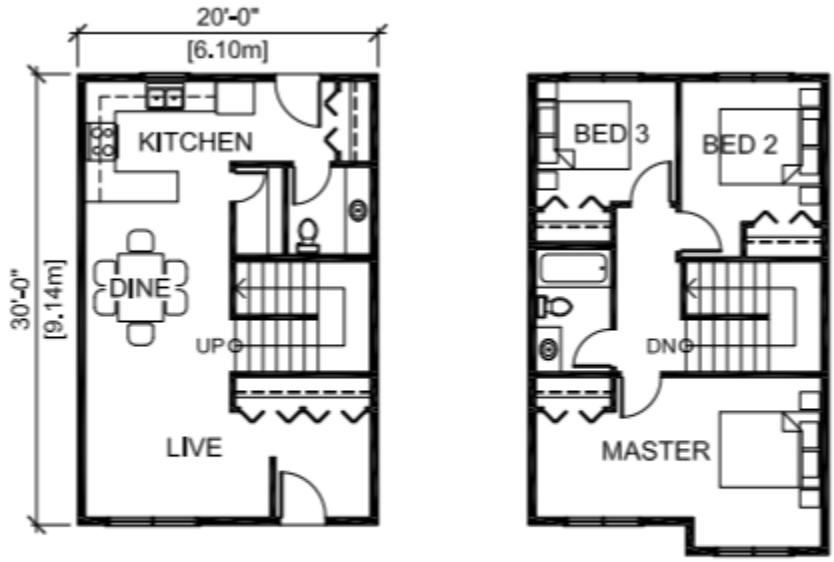
3-STOREY TOWNHOUSE UNIT - 1,510 ft²

2-Story Development

The following option is a 2-story design that comes with 3-bedrooms and 2.5 bathrooms. This is the second largest option at 1,219sq ft and with a detached garage. Similar to the 3-story model, the kitchen and living space is on the main floor and bedrooms on the second floor. The following option is as follows:

2-STOREY TOWNHOUSES

With the following floorplan layout:



MAIN - 600 ft²

SECOND - 619 ft²

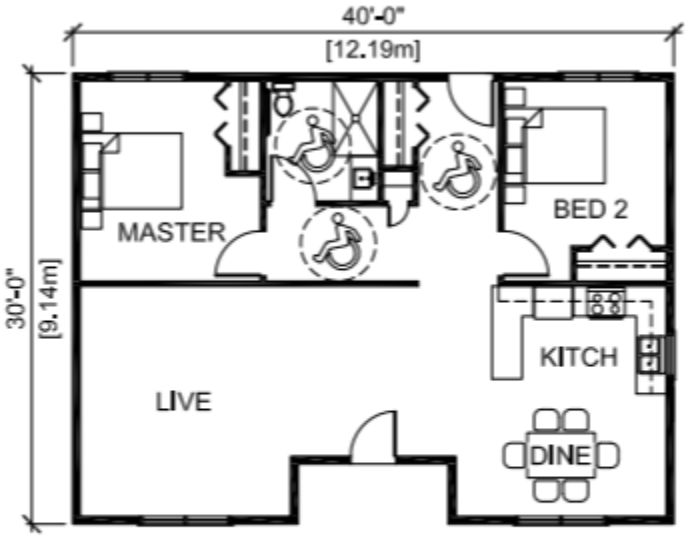
2-STOREY TOWNHOUSE UNIT - 1,219 ft²

Single Story Development

The following option provided is a single-story design that comes with 2 bedrooms and 1.5 bathrooms. This option is the smallest but is well suited for accessibility needs as the floor plan accommodates wheelchair accessibility. This design is 1,160sq ft and contains all bedrooms, kitchen and living space on one floor. The following option is as follows:

2-STOREY TOWNHOUSES AND ACCESSIBLE UNIT

With the following floorplan layout:



MAIN FLOOR PLAN - 1,160 ft²

ACCESSIBLE UNIT - 1,160 ft²

Three concepts and designs were provided to suit the needs of future homeowners. These options provide space for families as well as provide an option for individuals that require accessibility needs. The site layout was designed to accommodate these concepts and designs to fit the needs of future residents best. On the parcel of land, the townhome units were orientated to optimize

the land size and still allow room for the cul-de-sac, visitor parking and a green space for residents. The following site-plan is shown below.

Attributes of the Proposed Parcel of Land

The parcel in question covers an area of 6850m^2, of which 50% can be covered by taxable land coverage, totaling 3425m^2. Site coverage would include housing infrastructure and garage developments. Walker Projects has estimated a 33% parking lot coverage, totaling 2200m^2 for non-taxable parking, as paved parking does not count as a structure to be added in property taxes under the Town of Unity Zoning Bylaw.

Paving Requirements as Outlined by Walker Projects

Walker Projects outlined paving requirements, as per their estimate design notes. They stated that the parking area requires curb and gutter along the perimeter, as well as various median curbing for parking islands. The parking structure will be for light vehicle traffic, as the main source of traffic coming through the development will be local resident traffic. Walker Projects stated that there will be a sidewalk required along building fronts. However, there is currently a sidewalk in place along the street and front of the parcel that faces 8th Avenue. Walker Projects

also noted that granular material that is required beneath the building footprint to building construction has not been included in their estimate (see Appendix I).

Servicing Requirements

Walker Projects indicated that a water system includes provisions for additional fire protection, via a fire hydrant. There is currently a water lateral stub installed at the site to meet these requirements, and therefore, $20,000 may be taken off of the cost estimate for surface works. This brings the original cost of surface works from $339,000 to $319,000 as per conversation with Walker Projects. The new total estimated cost is now $557,000 from $577,000. Storm sewer system includes provisions for two catch basins, one manhole, and additional pipe to service the parking area.

Costs to Extend Power and Natural Gas Lines

In order to gather the best representation of cost estimates for power and gas line services, we reached out to BRT Consulting Ltd. who has previously completed work within Saskatchewan. Power and energy cost estimates were gathered from BRT Consulting Ltd. by providing the site plan, as well as a discussion as to where power poles and lines would potentially need to be extended to and from. BRT Consulting Ltd. indicated that depending on the power requirements of the development, to expect extension/installation of lines to cost around $40,000-$50,000. The cost of $40,000-$50,000 includes the cost of installation, labor, and materials and equipment for the extension of the existing powerlines/power poles. BRT Consulting Ltd. indicated that expected costs to extend natural gas lines, assuming some road may need to be dug up, was around $30,000.

**Please note that these costs are rough estimates, as BRT Consulting Ltd. has not seen/evaluated the existing parcel of land.*

Summary of Costs

A summary of the cost break-down to bring the land to grade for construction is shown below. This break down shows the sub-totals of the underground works, surface works and power and natural gas servicing. This total cost does not include the purchase of the parcel of land or the estimated construction costs for building the townhomes.

Under Ground Works	
Sanitary Sewer Servicing	$ 16,375.00
Water Servicing	$ 26,580.00
Storm Sewer Servicing	$ 850.00
Sub-total	**$ 89,000.00**

Surface Works	
Topsoil Stripping to Stock Pile	$ 4,247.00
Imported Fill to Embankment	$ 18,500.00
Common Excavating/Preparation	$ 22,300.00
Granular Base Course	$ 123,420.00
Hot Mix Ashphalt Pavement	$ 95,700.00
Barrier Curb, Gutter and Sidewalk	$ 63,000.00
Topsoil Replacement and Grass Seed	$ 1,500.00
Sub-Total	**$ 329,000.00**

Power and Natural Gas Servicing	
Powerline Extension	$ 50,000.00
Natural Gas Line Extension	$ 30,000.00
Sub-Total	**$ 80,000.00**

Summary of Costs	
Total Construction Costs	$ 418,000.00
Cash Allowance (Materials Testing)	$ 25,000.00
Contingency (20%)	$ 64,000.00
Estimated Engineering Fees	$ 50,000.00
Power and Natural Gas Sevicing	$ 80,000.00
Property Cost	$ 233,452.00
Total	**$ 870,452.00**

Sale of Townhomes

Based on the price of construction it is crucial to have a low construction cost per square foot to provide prospective home buyers with affordable purchase pricing. A scenario analysis is provided based on the assumption that selling prices of the provided townhomes would range from $200-$250/sq ft, based on Veritas Design Technologies assumptions, plus the lot price ranging from $32.03 – $46.90. The selling price per square foot is dependent on the size of the unit as well as the overall total number of units developed.

Based on these cost assumptions pricing scenarios are as follows:

In the analysis, a price structure was developed to show the price per unit and on a prospective 16, 17 and 18 unit development at three different selling price points, $200, $225, and $250 per square foot. The total price per units was provided as well as expected lot prices.

Purchase Price per unit at $200/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 16 units)	Total Selling Price
3-Storey Development	1510	$ 302,000.00	$ 36.03	$ 356,403.25
2 Story Development	1219	$ 243,800.00	$ 44.63	$ 298,203.50
Single Story Development	1160	$ 232,000.00	$ 46.90	$ 286,403.25

Purchase Price per unit at $225/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 16 units)	Total Selling Price
3-Storey Development	1510	$ 339,750.00	$ 36.03	$ 394,153.25
2 Story Development	1219	$ 274,275.00	$ 44.63	$ 328,678.50
Single Story Development	1160	$ 261,000.00	$ 46.90	$ 315,403.25

Purchase Price per unit at $250/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 16 units)	Total Selling Price
3-Storey Development	1510	$ 377,500.00	$ 36.03	$ 431,903.25
2 Story Development	1219	$ 304,750.00	$ 44.63	$ 359,153.50
Single Story Development	1160	$ 290,000.00	$ 46.90	$ 344,403.25

This analysis describes a 16 unit development with the respective selling price points.

Purchase Price per unit at $200/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 17 units)	Total Selling Price
3-Storey Development	1510	$ 302,000.00	$ 33.91	$ 353,203.06
2 Story Development	1219	$ 243,800.00	$ 42.00	$ 295,003.06
Single Story Development	1160	$ 232,000.00	$ 44.14	$ 283,203.06

Purchase Price per unit at $225/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 17 units)	Total Selling Price
3-Storey Development	1510	$ 339,750.00	$ 33.91	$ 390,953.06
2 Story Development	1219	$ 274,275.00	$ 42.00	$ 325,478.06
Single Story Development	1160	$ 261,000.00	$ 44.14	$ 312,203.06

Purchase Price per unit at $250/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 17 units)	Total Selling Price
3-Storey Development	1510	$ 377,500.00	$ 33.91	$ 428,703.06
2 Story Development	1219	$ 304,750.00	$ 42.00	$ 355,953.06
Single Story Development	1160	$ 290,000.00	$ 44.14	$ 341,203.06

This analysis describes a 17 unit development with the respective selling points

Purchase Price per unit at $200/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 18 units)	Total Selling Price
3-Storey Development	1510	$ 302,000.00	$ 32.03	$ 350,358.44
2 Story Development	1219	$ 243,800.00	$ 39.67	$ 292,158.44
Single Story Development	1160	$ 232,000.00	$ 41.69	$ 280,358.44

Purchase Price per unit at $225/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 18 units)	Total Selling Price
3-Storey Development	1510	$ 339,750.00	$ 32.03	$ 388,108.44
2 Story Development	1219	$ 274,275.00	$ 39.67	$ 322,633.44
Single Story Development	1160	$ 261,000.00	$ 41.69	$ 309,358.44

Purchase Price per unit at $250/sq ft	Square Foot	Total Cost Per Unit	Lot selling price/sq ft (assuming 18 units)	Total Selling Price
3-Storey Development	1510	$ 377,500.00	$ 32.03	$ 425,858.44
2 Story Development	1219	$ 304,750.00	$ 39.67	$ 353,108.44
Single Story Development	1160	$ 290,000.00	$ 41.69	$ 338,358.44

This analysis describes an 18 unit development with the respective price points.

As seen by increasing the number of total units the overall selling price per unit decreases by relatively $1,000. Based on this analysis and comparing it to the comparative analysis of saskatoon developments, these units have a cheaper overall cost for the land development, townhome construction, and land price.

Depending on the number of units built, the lot price per square foot decreases which allows for a lower purchase price for potential home buyers. It is important to capitalize on low construction costs in order to bring the overall development costs down to benefit buyers. As for developers they should consider finding cost-saving opportunities without compromising on the quality of homes, below is a scenario analysis for developers to see total selling prices.

Example Scenario for Developer

Scenerio Analysis	Number of Units (ea)	Selling Price ($200/sq ft)	Lot Price ($36.48/sq ft)	Total Selling Price
3-Storey Development	7	$ 2,114,000.00	$ 385,593.60	$ 2,499,593.60
2 Story Development	9	$ 2,194,200.00	$ 400,222.08	$ 2,594,422.08
Single Story Development	2	$ 464,000.00	$ 84,633.60	$ 548,633.60
Total	**18**	**$ 4,772,200.00**		**$ 5,642,649.28**

Scenerio Analysis	Number of Units (ea)	Selling Price ($225/sq ft)	Lot Price ($36.48/sq ft)	Total Selling Price
3-Storey Development	7	$ 2,378,250.00	$ 385,593.60	$ 2,763,843.60
2 Story Development	9	$ 2,468,475.00	$ 400,222.08	$ 2,868,697.08
Single Story Development	2	$ 522,000.00	$ 84,633.60	$ 606,633.60
Total	**18**	**$ 5,368,725.00**		**$ 6,239,174.28**

Scenerio Analysis	Number of Units (ea)	Selling Price ($250/sq ft)	Lot Price ($36.48/sq ft)	Total Selling Price
3-Storey Development	7	$ 2,642,500.00	$ 385,593.60	$ 3,028,093.60
2 Story Development	9	$ 2,742,750.00	$ 400,222.08	$ 3,142,972.08
Single Story Development	2	$ 580,000.00	$ 84,633.60	$ 664,633.60
Total	**18**	**$ 5,965,250.00**		**$ 6,835,699.28**

**Note: lot price is determined by (total townhouse development square foot)/(Total Land + development Cost)*

As shown, a potential scenario where 7 - 3-Story units, 9 - 2-Storey units and 2 - single story units are developed. There is a reasonable profit margin on this development for potential developers which is substantially enough margin in order to cover any overage costs plus extra on the project. Therefore, this determines that even on the high end of selling costs, $250 per square feet and lot price, it is still at a reasonable selling price point. However, developers should consider that selling at above this price it will be no longer feasible, as then the selling prices are comparable to larger cities. The optimal construction costs that allow for affordable housing is to be between $200-$250 a square foot or less. One way that developers can reduce this cost is to eliminate the garage aspect of the concepts and designs and choose to only provide parking stalls instead. This will reduce the amount of materials duration and labor in the construction of the townhomes. Eliminating the garage concept will allow for the cost per square foot for construction to be reduced to below $200.

Recommendations

The main concerns that arose during the feasibility study for the Town of Unity Townhouse Development were how to make the development attractive to potential developers, and contractors provided the summary of estimated costs. The following recommendations were developed to provide options on how to make this potential development desirable to developers and prospective home buyers.

- Provide initial cost-saving options to developers
- Offer a home buying incentive
- Target Oil, Gas, and mining companies to promote company housing for employees.

Recommendation One:

The first recommendation is to provide attractive incentives to gain developers attention and interest in this proposed townhome development in the Town of Unity since the upfront costs of beginning development are substantial.To reduce the substantial upfront cost to developers, it is recommended to provide an initial cost savings opportunity. Rather than requiring the developer to purchase the land up front, the Town of unity could offer the developer delayed payment without interest for the parcel of land, until the developer sells the first townhome unit. Deferring payment to the Town of Unity for the parcel allows the developer to reduce their preconstruction costs by $233,452 plus tax. The cost of bringing the land up to grade is roughly $637,000 before the construction of townhomes can start. This makes the upfront costs for construction $637,000 which is much more attractive than $870,452 with the purchase of the land.

Should the Town of Unity decide that the land must be purchased upfront before a developer commences work on the parcel, offering a free property tax credit on the land is an option. This incentive would mean that the Town of Unity would not be requiring the developer to pay for property taxes during the construction and development stages of the townhomes. A tax credit relieves the developer of the burden of the cost and makes the development more attractive.

The Town of Unity can also assist with the servicing costs to extend the power and natural gas, so the contractor can focus on bringing the land to grade and the construction of townhomes. By relieving the contract of servicing costs to extend the power and natural gas lines, they are able to focus on construction and reduce their cost to develop the land.

Taking into consideration any of the recommendations provided shows a contractor that the Town of Unity is serious in making the development possible, and gives the contractor peace of mind knowing that the Town of Unity is willing to work with them and bear some costs to complete the development.

Recommendation Two:

The second recommendation is to provide potential home buyers a unique purchasing cost structure or incentive towards purchasing the townhome. A costing structure or incentive is designed to reduce the upfront costs for prospective homebuyers, help with moving costs, and provide an extended timeframe to pay the costs. Individuals may look at affordable options to own a home in the Town of Unity, and possibly attract people from surrounding communities to acquire a dwelling in Unity.

Home buying incentives are a great way to attract those that are seeking more affordable payment options when purchasing a home but have the financial means to make full payments. Such incentive could include a first-time home buyers grant which is usually given to first-time home buyers in the form of a downpayment grant that is applied to the mortgage to help them purchase the home. The cost structure of a downpayment grant would be a lump sum that is directly applied to the principal mortgage amount and reduces the total mortgage payment by the amount of the downpayment grant.

Recommendation Three:

The third recommendation is designed to attract companies to purchase townhomes to provide their employees with lodging while working. Many companies in the trades have the financial means to provide their employees with housing while working away from home. Townhomes could be developed in conjunction with a trades company in the area, and leased to them on a contractual basis, or have the option for the business to own units. Providing employee housing is common in the trades industry, as it assists companies in attracting new employees and provide employees with relocation assistance. Through partnering with a trades company in the area, the economy in the Town of Unity will increase, as those working will be acquiring goods and services throughout their stay. Those that may reside in temporary employee lodging could become attached to the Town of Unity and decide to start a life in Unity.

Implementation

Steps that need to be taken:	Actions to accompany steps:	Timeline:
Extension of water, sewer, gas, and power lines to parcel	Contact SaskPower and SaskEnergy to get cost and duration estimates then proceed with the extension of services	TBD
Bring parcel to grade	Contact Walker Projects to set time frame for grading to be completed	TBD
Determine a developer to construct the Townhomes	Take recommendations of contractors from this report, get in contact with them on a business level, and begin bidding.	TBD
Begin construction	Using floor plans from Veritas Design Technologies, provide frequent communication with the developer as to the needs and wants of the community regarding townhome development.	TBD
Price townhomes for sale	Set a price for the townhome development that provides the developer approximately a 20% profit on top of the costs of construction. (i.e., If the development cost the contractor $1.7 million, then sell the total development for $2.04 million)	TBD
Begin waitlist for purchasing of development	The waitlist will be designed to gather community interest and commitment to the townhouse development and give the developer peace-of-mind that there is interest in their development.	TBD
Finalize sale of homes	Finish construction and bring the site to the final state. At this point sign housing agreements and mortgage paperwork with those moving in.	TBD
Residents begin moving in	Residents begin moving in, begin charging them property taxes, and follow up to see their level of satisfaction with the development.	TBD

Conclusion

Developers and contractors interested in this opportunity should expect to have a reasonable margin above construction costs to not have to compromise the quality of the development. All recommendations should be considered and discussed with potential developers to ensure this development gains the attractiveness it deserves and reduces the upfront cost burden. Information compiled in this report provides a consensus of the development requirements, site plans, concepts and designs that can be utilized when the townhome development proceeds.

In conclusion to the completed feasibility report for the potential townhouse development in the Town of Unity, it is determined financially feasible. However, the feasibility of this development depends highly on the housing market and lower initial construction costs. In order for developers to obtain a profit, there needs to be a need for these townhouse units to sell. This makes timing the start of this development an important factor in ensuring there is a demand for these units. The developer will have the resources to determine the growth in the economy and determine the right time to build, but at this time it is not feasible to start construction right now. However, with this being said, this development is a feasible opportunity for the Town of Unity.

The development is a great opportunity for future and current resident of the Town of Unity, it provides 3 different concepts and designs to suit the needs of all. This is also a great opportunity for developers to utilize their company strengths to find cost-saving opportunities and provide the Town of Unity with a future townhome development.

Appendix I

Survey Questions:

Edwards School of Business

Consent for On-Line Surveys in Experiential Classes

The following form requests your consent to be asked questions related to an experiential project at the Edwards School of Business. Please read this form carefully, and feel free to ask questions you might have.

Researchers:

Students enrolled in COMM 449, Management Consulting
Instructed by Vince Bruni-Bossio
Edwards School of Business, University of Saskatchewan
Phone: 306-966-7580 Email: bruni-bossio@edwards.usask.ca

Purpose and Procedure:

This proposed student consulting project is part the Edwards School of Business COMM 448 Management Consulting Projects. We have been asked to conduct a needs assessment for the Town of Unity in regard to a potential Townhouse Development.

Potential Benefits:

This project will be used to incorporate the needs of the residents of the Town of Unity into a final feasibility report that will be used to take the project to tender.

Potential Risks:

There is minimal risk to you as a participant. Your responses will be aggregated and not traceable to you in any way. There should be no risks to participating in this study greater than those encountered in aspects of everyday life.

Confidentiality:

Your identity and demographic information, if collected, will be kept confidential.

Right to Withdraw:

Your participation is voluntary, and you maywithdraw from the project for any reason, at any time, without penalty of any sort. If you withdraw from the project at any time, all data collected will be sent to you immediately.

Follow-Up or Debriefing:

At the end of this project, you are welcome to provide feedback on the process, the consultant team, and the quality of the final work.

Follow up:

To obtain results from the study, please feel free to contact the student researcher by email for a summary.

Questions or Concerns:
This research project is in alignment with ethical standard established by the Research Ethics Committee at the Edwards School of Business, University of Saskatchewan.

If you have any questions concerning the research project, please feel free to ask the student(s) at any point. Also, please feel free to contact the course instructor at any time at the number provided below if you have other questions.

If at any time you have any questions or concerns regarding this project, the students working on the project or your rights as a participant you may also call any of the following:

Edwards Research Committee Chair:	(306) 966-8404
Vince Bruni-Bossio (Instructor):	(306) 966-7580
Marv Painter (Department Head):	(306) 966-8439

Consent to Participate:
I have read and understood the description provided; I have had an opportunity to ask questions and my/our questions have been answered.

BY clicking on "CONSENT ICON" I am agreeing to participate in this project. I understand my rights as a participant including that I may withdraw my consent at any time.

1. Which of the following best describes your current living situation?
    A. Apartment/condominium
    B. Townhouse
    C. Bungalow
    D. Semi-detached
    E. Semi-attached
2. What type of housing can you see yourself/your family living in within the next 10 years?
    A. Apartment/condominium
    B. Townhouse
    C. Bungalow
    D. Semi-detached
    E. Semi-attached
3. Which of the following best describes your current housing situation?
    A. Homeowner
    B. Renter
    C. Living with others but not paying rent
    D. Living with others and paying rent
4. If you do not currently own a hone, are you planning to purchase within the next:
    A. 0-24 months
    B. 2-4 years
    C. 2-6 years
    D. 6-8 years
    E. 8-10 years

F. 10+ years
G. Not at all

5. Are you satisfied with your current living arrangements? Please explain.
6. How many bedrooms does your household prefer?
    A. 1
    B. 2
    C. 3
    D. 4+
7. How many bathrooms does your household prefer?
    A. 1
    B. 2
    C. 3
    D. 4+
8. What ownership structure do you prefer?
    A. Own
    B. Rent
9. Do you feel that there is adequate affordable/handicapped accessible housing in your area? If not please explain why.
    A. Yes
    B. No
10. Approximately how many KM do you live from your work?
11. What gender do you identify with?
    A. Male
    B. Female
    C. Other
12. What is your age range (in years):
    A. Under 18
    B. 18-24
    C. 24-30
    D. 30-36
    E. 36-42
    F. 42-48
    G. 48-54
    H. 54-60
    I. 60-66
    J. 66-72
    K. 72-78
    L. 78+
13. How many people living in your home are over 18 (include yourself)?
14. How many people living in the home under 18 (if applicable, include yourself)?
15. Do you have any other comments to share?

Appendix II

Project: 20180039
Date: 2018 02 08
Town of Unity - 8th Avenue Townhouse Civil Servicing
PRELIMINARY COST ESTIMATE

WALKER PROJECTS
Consulting Engineers · Project Managers

UNDERGROUNDS

Item	Description	Quantity	Unit	Unit Price	Extension
1.0	**Sanitary Sewer Servicing**				
1.1	Connect to Existing Sanitary Service Stub	1	ea	$ 5,000	$ 5,000
1.2	Sanitary Sewer Service Pipe incl. Excavation and Compacted Backfill (200 mm SDR 35)	40	m	$ 265	$ 10,600
1.3	Sanitary Sewer Fittings	1	ea	$ 775	$ 775
2.0	**Water Servicing**				
2.1	Connect to Existing Water Service Stub	1	ea	$ 5,000	$ 5,000
2.2	Watermain Pipe incl. Excavation and Compacted Backfill (200 mm PVC DR18)	40	m	$ 220	$ 8,800
2.3	Watermain Curb Stop	2	ea	$ 1,140	$ 2,280
2.4	Fire Hydrant	1	ea	$ 10,500	$ 10,500
3.0	**Storm Sewer Servicing**				
3.1	Connect to Existing Storm Service Stub	1	ea	$ 5,000	$ 5,000
3.2	Storm Sewer Pipe c/w Excavation and Compacted Backfill (250 mm PVC Ultra Rib)	70	m	$ 235	$ 16,450
3.3	900 mm Catchbasin incl. Base, Barrel, Rim and Cover	2	ea	$ 7,900	$ 15,800
3.4	1050 mm Storm Manhole incl. Base, Barrel, Rim and Cover	1	ea	$ 8,600	$ 8,600
Sub-Total					**$ 89,000**

SURFACE WORKS

Item	Description	Quantity	Unit	Unit Price	Extension
4.1	Topsoil Stripping to Stockpile	685	m^3	$ 6.20	$ 4,247
4.2	Imported Fill to Embankment	1,000	m^3	$ 18.50	$ 18,500
4.3	Common Excavation to Embankment	1,000	m^3	$ 8.30	$ 8,300
4.4	Subgrade Preparation (150 mm thick)	5,600	m^2	$ 2.50	$ 14,000
4.5	Granular Subbase Course (200 mm thick)	2,200	m^2	$ 31.50	$ 69,300
4.6	Granluar Base Course (150 mm thick)	2,200	m^2	$ 24.60	$ 54,120
4.7	Hot Mix Asphalt Pavement (50 mm thick)	2,200	m^2	$ 43.50	$ 95,700
4.8	Barrier Curb and Gutter	200	m	$ 135.00	$ 27,000
4.9	Barrier Curb, Gutter and Sidewalk	150	m	$ 240.00	$ 36,000
4.10	Topsoil Replacement and Coarse Grass Seeding	125	m^3	$ 12.00	$ 1,500
Sub-Total					**$ 329,000**

Summary of Costs

Total Construction Cost	$ 418,000
Cash Allowance (Materials Testing)	$ 25,000
Contingency (20%)	$ 84,000
Estimated Engineering Fees	$ 50,000
Total	**$ 577,000**

Appendix III

WALKER PROJECTS
Consulting Engineers · Project Managers

Town of Unity
8th Avenue Townhouse Development
Cost Estimating Assumptions

Problem: The Town of Unity has requested Civil servicing costs to develop a townhouse on 8th Avenue West, just east of Dickson Road.

Design Parameters:

1 Site Breakdown

- Total site area = 6850 m²
- Building Coverage (50%) = 3425 m²
- Parking lot coverage (33%) = 2200 m²
- Landscaping coverage = 1225 m²

2 Paving Requirements

- Parking area requires curb and gutter along the perimeter as well as various median curbing for parking islands.
- Parking structure will be for light vehicle traffic.
- Sidewalk is required along building fronts.
- Granluar material required beneath the building footprint is incidental to the building construction and has not been included in this estimate.

3 Servicing Requirements

- Water system includes provisions for additional fire protection (hydrant)
- Storm sewer system includes provisions for two catchbasins and one manhole and additional pipe to service the parking area.

4 Earthwork requirements

- The site slopes from north to south by 1.4m and on average is approximately even with the 8th Avenue West Centreline elevations. In order to place the buildings at a safe height and allow for 1% sloping in parking areas, some imported fill may be required. 150 mm (6 inches) of imported fill across the site has been included in the estimate.
- It is assumed the entire site will be stripped of topsoil, at an average depth of 100 mm.
- Landscaping includes topsoil and seeding only.

5. Costing Assumptions

Costs were derived using the Town of Unity 8th Avenue Subdivision Construction Costs inflated by 3.7% to 2017 pricing. Items not in the scope of work from the previous project were sourced from other projects.

124B – 1621 Albert Street, Regina, SK S4P 2S5
P. (306) 522-9434 F. (306) 522-2409
www.walkerprojects.com

Appendix IV


E
N
S
W
OPEN FIELD
8TH AVENUE ESTATES
27.8m
65.1m
6m
FUTURE TOWNHOUSE SITE
VISITOR PARKING/ RECYCLING/ GARBAGE
LANE
12m LANE
FUTURE DEVELOPMENT
140.9m
FUTURE REAR ALLEY
110.3m
8th AVENUE WEST
PICNIC/ COMMON/ GARDEN AREA
9.3m
5.6m
6m
16m
FUTURE DEVELOPMENT
12
13
14
15
14
13
9
LEGEND:
DETACHED GARAGE (14'x22')
2-STOREY TOWNHOUSE (20'x30')
ACCESSIBLE UNIT (40'x30')
3-STOREY TOWNHOUSE (20'x30')
DIRECTED BY TRAVIS SMIT AND KAYLA WELCH, COMM 448 - MANAGEMENT CONSULTING, U OF S EDWARDS SCHOOL OF BUSINESS
FUTURE TOWNHOUSE SITE PLAN CONCEPT
VERITAS
DESIGNS & INSPECTIONS INC.
DRAFTING THE FUTURE, INSPECTING THE PAST
PROJECT: TOWN OF UNITY TOWNHOUSE DEVELOPMENT
DRAWN BY: F.A.A.
DATE: 15/03/2018
SCALE: 1 : 1,000
SHEET SIZE: 8.5 x 11" (ANSI-A)
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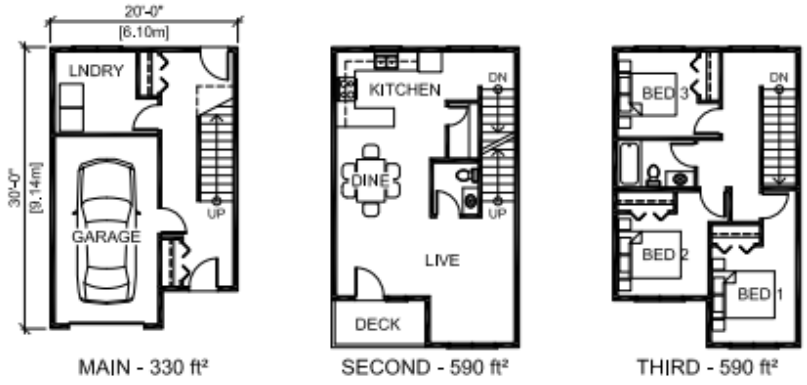
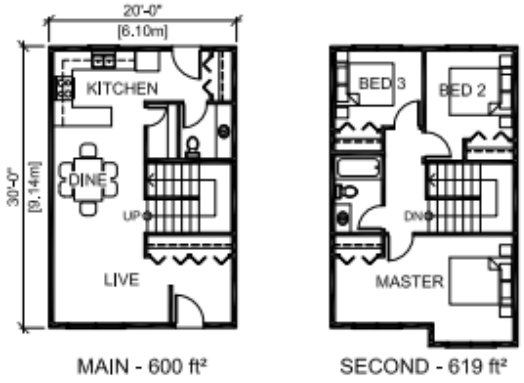
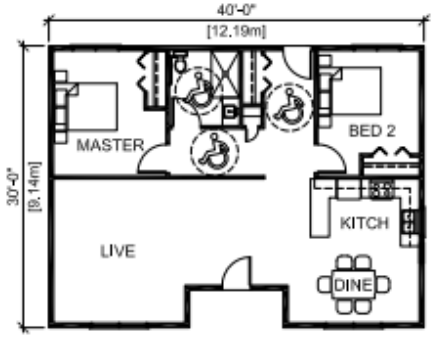
Appendix V



3-STOREY TOWNHOUSE UNIT - 1,510 ft²



2-STOREY TOWNHOUSE UNIT - 1,219 ft²



MAIN FLOOR PLAN - 1,160 ft²

ACCESSIBLE UNIT - 1,160 ft²

DIRECTED BY TRAVIS SMIT AND KAYLA WELCH, COMM 448 - MANAGEMENT CONSULTING, U OF S EDWARDS SCHOOL OF BUSINESS

FLOOR PLAN CONCEPTS

VERITAS DESIGNS & INSPECTIONS INC.
DRAFTING THE FUTURE, INSPECTING THE PAST.

PROJECT:	TOWN OF UNITY TOWNHOUSE DEVELOPMENT
DRAWN BY:	F.A.A.
DATE:	15/03/2018
SCALE:	1/16" = 1'-0"
SHEET SIZE:	8.5 x 11" (ANSI-A)

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Appendix VI

3-STOREY TOWNHOUSES

2-STOREY TOWNHOUSES

2-STOREY TOWNHOUSES AND ACCESSIBLE UNIT

DIRECTED BY TRAVIS SMIT AND KAYLA WELCH, COMM 448 - MANAGEMENT CONSULTING, U OF S EDWARDS SCHOOL OF BUSINESS

FRONT EXTERIOR ELEVATION CONCEPTS

VERITAS DESIGNS & INSPECTIONS INC.
DRAFTING THE FUTURE. INSPECTING THE PAST.

PROJECT:	TOWN OF UNITY TOWNHOUSE DEVELOPMENT
DRAWN BY:	F.A.A.
DATE:	16/03/2018
SCALE:	1/16" = 1'-0"
SHEET SIZE:	8.5 x 11" (ANSI-A)

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