
City of Kelowna

MEMORANDUM

DATE: March 20, 2007
FILE: 5040-20
TO: City Manager
FROM: Community Planning Manager
SUBJECT: Focusing on Affordable Housing Needs and Moving Forward with Requirements for Affordable Housing

REPORT PREPARED BY: Theresa Eichler

RECOMMENDATION:

THAT Council identify the priority for achieving affordable housing to be on families with children in need of affordable rental housing, in accordance with the definition of rental affordability in 8.1.16 of the OCP;

AND THAT Council continue to partner with other levels of government, the private and non-profit sectors to achieve affordable housing;

AND THAT the City continue to lobby senior government levels to invest in affordable housing in our communities, through FCM and UBCM, as it has done in previous years.

PURPOSE:

To guide Council regarding next steps in the area of increasing the supply of affordable housing. At a public workshop on affordable housing provided for Council on January 17th, the following resolution was passed:

THAT staff be instructed to investigate the following and report back to Council:

- recent 2006 UBCM and FCM resolutions as they relate to provincial and federal legislation pertaining to affordable housing;
- the feasibility of offering below market rents on City-owned housing;
- existing City-owned property suitable for a Land Trust how a Land Trust may apply in a Kelowna context;
- are the City's targets for affordable housing realistic or would it be better to focus on specific groups (i.e. single parents, families with children and/or seniors on fixed incomes).

Council's consensus was not to pursue the option of creating a Housing Corporation at either the regional or City level.



REPORT:

UBCM & FCM RESOLUTIONS:

Kelowna has actively participated in the National Housing Policy Options Team (NHPOT) through FCM (the Federation of Canadian Municipalities) since 2000. Much of the work conducted by NHPOT results in FCM resolutions. Aside from this, NHPOT provides research¹ on housing affordability issues and strives to have input into all federal, provincial and territorial government meetings where affordable housing is on the agenda. NHPOT drafts periodic resolutions for municipalities to forward individually on affordable housing issues. This focuses the expertise from across the country and coordinates efforts to lobby senior governments. The approach is referred to as a FPT (Federal / Provincial / Territorial) strategy.

Also, the City forwarded a resolution as a result of work conducted by its Social Planning and Housing Committee, to increase shelter rates provided under BC Assistance. A summary of resolutions from UBCM and FCM pertinent to affordable housing is provided at the end of this report. Council is encouraged to continue to advocate for senior government investment in affordable housing in this manner.

Focusing on the Need:

THE CONTINUUM OF HOUSING NEED:

There is a model referred to as the *continuum of housing needs, or affordable housing continuum*. As in most municipalities and other geographic jurisdictions, the model varies very little. It generally goes from the homelessness situation at the one end of the continuum to home ownership at the opposite end. The Calgary model, shown below, is the simplest and most applicable to cities:

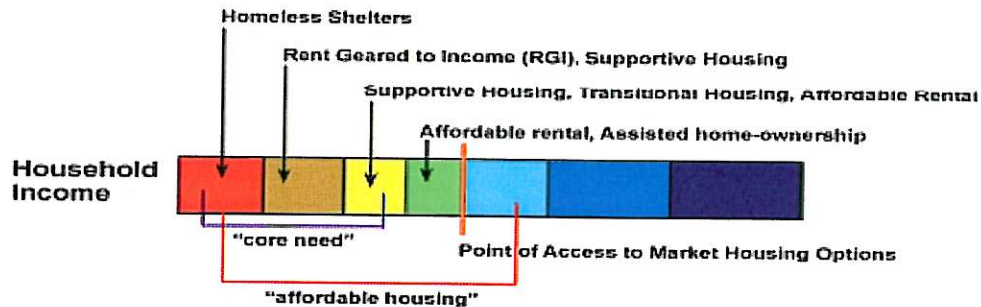
The Affordable Housing Continuum				
Emergency Shelters	Transitional Housing	Social or Subsidized Housing	Formal and Informal Rental	Affordable Home Ownership
Non-Market			Near Market	

The above chart shows quite clearly that non-market housing is where senior government and other funding sources are needed. The near market end of the continuum is where municipalities can most realistically hope to increase supply and focus their efforts. Partnerships with other stakeholders are desirable at all levels, but essential for non-market housing to happen.

Saskatoon also uses the housing continuum model (see below) in its 2003 Community Plan for Homelessness and Affordable Housing. This illustration further helps to distinguish core needs housing and affordable housing and describe the various housing forms that fit along the continuum. In Kelowna, those households considered to be core need, including the homeless, had annual incomes primarily falling well below \$20,000, based on the 2001 Census. Those households able to enter the ownership market are now defined by City policy to be earning close to \$60,000 (incomes are before tax).

¹ <http://www.fcm.ca/english/documents/housing.pdf>
<http://www.fcm.ca/english/documents/afford.html>

HOUSING CONTINUUM



KELOWNA AFFORDABLE HOUSING RESULTS:

It would be easy to be discouraged by the magnitude of need in Kelowna and feel that results have been negligible. However, Kelowna has consistently compared well with other cities in terms of the amount of affordable housing that has been achieved. Since Council adopted the recommendations of the 1999/2000 Housing Study, introduced the Housing Opportunities Reserve Fund in 2000, applied institutional DCCs for supportive housing, and brought in the density gradient approach to DCCs, in 2004., there have been results which have never really been summarized in one place before. A listing that may still be missing some activity, is provided below. A detailed table is attached to this report:

Housing Built:

Subsidized Family Housing	119	2001/2002
Subsidized Supportive Housing for Seniors	113	2001/2002
Subsidized Licensed Residential Beds for Seniors	100	2001/2002
Room & Board for Homeless	55	2003
Affordable Owner dwellings / housing agreement	5	2006

Market Affordable Housing

Supportive Housing for Seniors 183 2002

Homes Sold at or Below Starter Home Price in Kelowna:

Year	Dwellings
2001	1014
2002	1393
2003	1253
2004	794
2005	703

Developments with New Homes Sold at or Below Starter Home Price

The Verve – Glenmore 18 dwellings – 30% of sales

City Homes – 100% of initial sales

Brookside – Pandosy Some units

Lequime & Gordon 8 units in first building (2003/04); 4 in second

Housing Proposed:

1436 St. Paul	30 apartments for homeless individuals / start in 07 and complete in 08
KLO	67 supportive housing apartments for seniors
Aurora	20 apartments for homeless women
2071 Gordon	10 apartments for homeless women
Hwy 33	30 bachelor suites for people in recovery from addictions
Fuller Ave.	11 apartments for disabled adults
Leon and Harvey	5 affordable rentals secured by a housing agreement
Richter	19 beds (transitional housing) for homeless people (building exists)

Housing Reserve Fund

Sale of Morrison and Richter Property	\$288,269
Sale of 260 Franklyn Road	\$251,001
GST rebate	\$150,000
Donation – Brandt's Crossing	\$100,000
Budget Allocation 2006 & 2007	\$200,000
DCC Waiver Budget 2006/2007	\$120,000

Projects in the Works:

Gospel Mission	\$1 million for relocation, including new shelter & transitional housing
Pleasantvale Homes	\$1 million needed for land acquisition to allow redevelopment of originally City-owned site
KSS	commitment to 20% affordable housing – City-owned land

KELOWNA'S HOUSING NEED:

The extent of Kelowna's housing need for low income populations is overwhelming. The numbers of low income people paying half or more of their gross income on housing is intimidating. It is obvious that the City, alone, will not be able to significantly change the situation. It will take a myriad of factors, from increasing income for service-oriented jobs, to contributions by the private and non-profit sectors and a much greater commitment by federal and provincial governments to the issue. The recent provincial budget announcements indicate that there is hope that more will be done at the provincial level.²

However, the City can make a significant difference by showing leadership in areas of this need. It was municipalities across Canada that gave rise to the present focus on homelessness, starting with the declaration by the Big City Mayors of the Federation of Canadian Municipalities decrying homelessness as a national crisis in 1999. The focus of federal and provincial governments is now tuned into the needs of the homeless. However, the rest of the low income population, many of whom may be on the brink of homelessness, continues to be left hanging.

Housing needs in Kelowna are very similar to most other North American cities. The majority of those paying too much for shelter are very low income and also are working and therefore are often not eligible for senior government assistance.

A table attached to this report shows the breakdown of need from a low income household perspective in Kelowna. Need is in all areas for low income populations, but is particularly acute for low income families who rely on employment income.

The focus of the Calgary Community Land Trust is on *"the working poor – singles and families earning between \$18,000 and \$35,000, who are paying more than 50% of their income on shelter. These people are unable to access:*

² <http://www.bcbudget.gov.bc.ca/2007/default.htm>

- **social housing** – because they do not fit the criteria or are too low on the priority list.
- **entry-level market housing** – because they do not earn enough, cannot save up enough of a down-payment, or they have above-average housing needs for their income levels.”

The above situation applies equally well to Kelowna. The exception is the October announcement³ by the Province that rent subsidies will be made available to working families with incomes of less than \$20,000, which is up to \$28,000 now. Province-wide, this program was expected to help 15,000 households, and is now expanded to 20,000 households⁴. Given the fact that we know about 5,620 Kelowna households were paying more than 30% of their gross income on shelter and made less than \$20,000 in 2001, these 20,000 province-wide subsidies won't reach enough households. Also, those making more than \$28,000, but still qualifying as low income and in housing need are not eligible for these rent subsidies.

In Kelowna, staff recommends that families with children who have the need for affordable rental housing should be the priority. This fits with the focus at the municipal government level being on quality of life and the prevention of social problems. A role in ensuring that children in our community are adequately housed is a very positive prevention measure. It also targets a need group that has been generally overlooked by senior government at least since 2000, when the focus shifted to seniors with the need for supportive housing and on homelessness.


In the interest of partnering with senior government funding Kelowna should continue to recognize the need to house the homeless and to address housing for populations that need supportive housing, including people who are homeless, have disabilities or illnesses or whose needs are simply due to ageing. However, by placing the emphasis on families with children, it is anticipated that this focus will precipitate interest in addressing this need at the senior government levels and within the private and non-profit sectors.

Council also needs to recognize that focusing on housing affordability will need commitment to resources. The need for additional staff will be inevitable if the City steps up its role in the creation of affordable housing. Community Development and Real Estate will monitor the time requirements of all these initiatives and report back to Council on a yearly basis. Staff needs can be determined accordingly. Previous commitments to provide annual budget allocations to the Housing Opportunities Reserve Fund and to enable DCC waivers for non-profit rental housing will need to be upheld for 2008 and beyond.



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Approved for Inclusion
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³ October 3, 2006 – news announcement on www.bchousing.org

⁴ http://www2.news.gov.bc.ca/news_releases_2005-2009/2007FOR0024-000198.pdf

Low Income Households and Subsidized Housing Supply in Kelowna

HOUSING NEED GROUP (2001 census information)	Total Households	NO. OF LOW INCOME HHLDS	% low income	subsidized HOUSING UNITS (2005)	OTHER HOUSING RESOURCES - temporary	DEFICIENCY (PERMANENT HOUSING)/ # UNITS
female lone-parent families	3665	2131	58	650 units to serve all these groups	Approximately 750 families received B.C. shelter[1] assistance in 2004	4,089 family-oriented
male lone-parent families	745	177	24			
couples/ no children	12,965	1,181	9			
2 parent families with children	9,295	1,250	13			
elderly living alone	6,685	2,671	40	1,365: includes 561 beds in nursing homes; supportive housing & 2-person or more units		653[2] units
non-elderly, one person hhlds	4,490	3,581	80	<ul style="list-style-type: none"> > 276 units or beds for those with mental or physical disabilities (Appendices 10 & 12) > 25 subsidized one-bedroom units for those with physical disabilities > 48 one-bedroom subsidized units 	<ul style="list-style-type: none"> > approximately 180 motel units in 1998 > 131 temporary shelter beds > 42 transitional dwellings > 103 beds of addictions recovery 	3,232 non-elderly one-person units (temporary housing is not included)
other hhld types	6,615				Ø approximately 2,135 singles received B.C. shelter assistance[3] in 2004	
TOTAL	44460	10991	25			

[1] Provincial Ministry of Human Resources – staff consultation

[2] Based on assigning half of the publicly funded units to 2 person households, assuming some elderly will be able to share.

[3] Provincial Ministry of Human Resources – staff consultation

Affordable housing projects since 2000

Address	City Action	No. of housing units (proposed – p) or built (b)	Funds
2260 Benvoulin	Worked with non-profit developer & BC Housing to achieve subsidized family housing project at	52 units of subsidized housing with 9 as handicapped accessible (b – 2001/2002)	
440 Yates Rd.	Worked with non-profit developer & BC Housing to achieve subsidized cooperative family housing project at	46 subsidized family dwellings with 8 that are handicapped accessible; plus 8 near market dwellings. (b 2001/02)	
1720 Ethel	Worked with non-profit developer & BC Housing to achieve project	21 apartments for single women & their children (b 2001/02)	
1540 KLO	provided institutional DCC rate; Worked with non-profit developer & BC Housing to achieve	105 room & brd. Supportive housing (b. 2002)	
Centennial Cres	Worked with non-profit & Real Estate Foundation on funding & zoning issues	67 apartments phase 2 – construction underway	
700 Rutland Rd.	provided institutional DCC rate; Worked with non-profit developer & BC Housing to achieve	30 room & board for homeless men	
295 Gerstmar	Worked with developer & provided institutional DCC	8 independent apartments;	
2609 Richter	Worked under National Homelessness Initiative (NHI) & with non-profit to achieve	100 licensed residential care beds for seniors – b - 2001	
1330-1332 Sylvania	Worked under National Homelessness Initiative (NHI) & with non-profit to achieve	183 units of supportive seniors housing (b. 2002)	
135 Ziprick	Assist developer through development process – density bonus in ZBL in return for registered HA	15 bed homeless shelter for women	
Fuller Ave.	Provide City-owned land at no cost by long term lease	10 bed homeless transitional home for youth	
955-1055 Leon (&Harvey Ave)	Eligible for grant from the housing reserve fund	5 units of owner / strata apartments sold as affordable under housing agreement – (b 2005)	
1436 St. Paul	Provided City-owned land at no cost by long term lease	11 apartments for people with disabilities proposed	
		5 units of a rental building are to be registered as affordable under a housing agreement with the City	
		30 apartments for proposed for homeless individuals; p construction to begin in 2007	

Address	City Action	No. of housing units (proposed – p) or built (b)	Funds
Aurora Cres.	Assist non-profit and BC Housing in development process – eligible for grants & partial DCC waiver	20 apartments for women facing homelessness	
2071 Gordon Dr.	Working with non-profit for housing – eligible for grants & partial DCC waiver	10 apartments for women at risk of homelessness.	
1490 Richter & Morrison	Went to 3 proposal calls to achieve an affordable housing project – little results; therefore money was allocated to housing reserve fund		\$288,269
260 Franklyn Rd.	Conducted proposal call to achieve affordable housing; little result; so money was partly allocated to the housing reserve – some to parks		\$251,001
Richter – Pleasantvale Homes	Working with Society & BC Housing to facilitate redevelopment (originally City-owned property with 52 units of seniors subsidized housing); about \$1 million is needed for the City to acquire remaining lots in the block and City would close the lane.	In the order of 100 additional units or more would be created as a rough estimate;	
	2005 GST Rebate into Housing Reserve Fund		\$150,000
	Budget allocations to Housing Reserve	in 2006	\$100,000
	Budget allocations for partial DCC waivers	in 2007	\$100,000
		in 2006	\$60,000
		in 2007	\$60,000

FCM Resolutions Related to Affordable Housing – Adopted in 2006:

SOC06.2.04 AFFORDABLE HOUSING AND BILL C-48

BE IT RESOLVED that Federation of Canadian Municipalities request the federal government to address the affordable housing fiscal imbalance and commit to spending the \$1.6 billion dedicated under Bill-C48 to affordable housing.

- City of Ottawa, Ontario

2006 ANNUAL CONFERENCE DECISION: Category “A”; Resolution Adopted

May 30, 2006

ENV06.2.06 FUNDING FOR THE “ENERGUIDE FOR HOUSES PROGRAM”

BE IT RESOLVED that the Federation of Canadian Municipalities urge the federal government to immediately restore funding for the “Energuide for Houses” program, and that this be included as part of the proposed “Made in Canada” plan for climate change.

- City of Kitchener, Ontario

2006 ANNUAL CONFERENCE DECISION: Category “A”; Resolution Adopted

June 1, 2006

SOC06.3.04 FUNDING RENEWAL REQUEST FOR SUPPORTING COMMUNITIES PARTNERSHIP INITIATIVE (SCPI)

BE IT RESOLVED that the Federation of Canadian Municipalities thank the federal government for honouring its commitments to the National Homelessness Initiative by releasing the \$37M in SCPI funding that had been promised to agencies, and to:

- a) Confirm that the complete, committed and promised \$540 million for the National Homelessness Initiative (NHI) Supporting Communities Partnerships Initiative (SCPI) for the four year period (April 1, 2003 - March 31, 2007) has been restored and expended and that any remaining funding is now available for vulnerable Canadian citizens across Canada;
- b) Request that the government put in place “an administrative year” to ensure that all of these committed funds may be spent in support of Canada’s most needy citizens, it being noted that these funds do not represent a grant to these agencies and that the amount of money actually flowing to the agencies will depend on the nature of and timing of the local contracts that will be entered into by the Federal Government and these agencies;
- c) Request that the federal government make a five year commitment to a renewed National Homelessness Initiative in partnership with provincial and municipal governments that would include specific strategies to assist communities in dealing with individuals with mental health and addictions; homelessness and an expansion of the “Affordable Housing Initiative” to ensure that gaps in the continuum of housing are filled; and
- d) That while this renewed National Homelessness Initiative is being developed that the government commit to providing bridge funding to ensure that the many important programs that have been developed by communities with SCPI funds are allowed to continue.

- City of London, Ontario

SEPTEMBER 2006 BOARD DECISION: Category "A"; RESOLUTION ADOPTED

CATEGORY "A" – National Municipal Issues

This category contains resolutions on issues that are of direct concern to Canadian municipalities and that fall within the jurisdiction of the federal government, the provincial and territorial governments acting at the inter-provincial level, or FCM itself.

FCM Resolutions Related to Affordable Housing – Adopted in 2005:

SOC05.1.01CA CHILD POVERTY

BE IT RESOLVED that the Federation of Canadian Municipalities (FCM) join Campaign 2000 calling on the federal government to develop a Social Investment for Children and Families to guide comprehensive action on child poverty over the next five years;

BE IT FURTHER RESOLVED that the Social Investment Plan focus on **creating more good jobs at living wages**, investing in an effective child benefit system, making a universal early childhood education and care system a reality, **expanding affordable housing** and renewing Canada's social safety net through the Canada Social Transfer; and

BE IT FURTHER RESOLVED that FCM join in a national effort to drive down child poverty to a level not yet seen in this country, making Canada a proud world leader when it comes to caring for its children, and ensuring that no child lives in poverty.

City of Toronto, Ontario

MARCH 2005 BOARD DECISION:Category "A"; RESOLUTION ADOPTED

SOC05.1.02CA NATIONAL AFFORDABLE HOUSING ENERGY EFFICIENCY STRATEGY

BE IT RESOLVED that the Federation of Canadian Municipalities:

- a) support the Green Communities Association (GCA)'s call for a national affordable housing energy efficiency strategy; and
- b) agree to work with the GCA to engage stakeholders in developing this strategy.

City of Toronto, Ontario

MARCH 2005 BOARD DECISION:Category « A »; RESOLUTION ADOPED

SOC05.1.04CA AFFORDABLE HOUSING POLICIES

BE IT RESOLVED that the Federation of Canadian Municipalities urge the federal government to increase the amount and flexibility of funding for affordable housing programs.

City of Saskatoon, Saskatchewan

MARCH 2005 BOARD DECISION:Category "A"; RESOLUTION ADOPTED

SOC05.4.10 - AFFORDABLE HOUSING

BE IT RESOLVED that the Federation of Canadian Municipalities urge the federal government, and through the provincial/territorial municipal associations, provincial and territorial governments, to make available long-term dedicated new monies for capital and operating support to address the shortage of affordable housing that is being felt in communities across Canada.

- Union of British Columbia Municipalities

DECEMBER 2005 BOARD DECISION: Category "A"; Resolution Adopted

UBCM Resolutions Related to Affordable Housing 2006

A2 MANUFACTURED HOME PARK TENANCY ACT Coquitlam

WHEREAS manufactured home parks are a unique type of housing that provides an affordable option and lifestyle for people who may not wish to live in traditional multi-family housing;
AND WHEREAS the redevelopment of existing manufactured home parks is an aspect of urban growth and change, and manufactured home parks are under increasing pressure for redevelopment;

AND WHEREAS residents who are more vulnerable (e.g., seniors, those with health issues) and with low incomes may find displacement due to potential redevelopment of these areas to be a particular challenge:

THEREFORE BE IT RESOLVED that the provincial government be requested to make changes to the *Manufactured Home Park Tenancy Act*, similar to those outlined in the City of Coquitlam's Mobile Home Park Redevelopment Tenant Assistance Policy, to ensure that tenants being displaced due to redevelopment are assisted in the relocation process and fairly compensated for their displacement by the developer.

ON MOTION, was ENDORSED

B7 SUPPORTIVE RECOVERY HOUSES Abbotsford

WHEREAS supportive recovery residences provide accommodation for persons recovering from drug or alcohol addictions and the unregulated operation of these residences is a serious matter of public safety;

AND WHEREAS the provincial government, which is responsible for public safety, abdicated its responsibility to regulate supportive recovery residences by exempting those that provide two or less prescribed services from the requirement to obtain a community care facility licence under the *Community Care and Assisted Living Act*:

THEREFORE BE IT RESOLVED that the Union of British Columbia Municipalities urge the provincial government to regulate and license supportive recovery residences in the interest of providing better access to treatment for individuals seeking assistance for substance misuse.

ON MOTION, as amended, was ENDORSED

B8 REGIONAL DETOX FACILITIES Quesnel

WHEREAS community detoxification facilities available at northern interior hospitals are inadequate for community needs and RCMP staff are not suited as a resource to address the needs of substance addicted persons;

AND WHEREAS the City of Quesnel has specifically doubled the RCMP drug enforcement section in its efforts to combat drug addiction problems associated with drug trafficking, which should decrease the availability of drugs in the area:

THEREFORE BE IT RESOLVED that the Province and the regional health authorities provide provincewide detox facilities that guarantee a minimum number of beds available for the treatment of substance addicted persons who can be treated and adequately cared for in their communities.

ON MOTION, as amended, was ENDORSED

B21 PROVINCIAL SALES TAX REVIEW Port Moody

WHEREAS the provincial Ministry of Small Business and Revenue is currently undergoing a Provincial Sales Tax (PST) review and is requesting input, and the PST is a tax on a tax that ultimately results in local government property tax increases;

AND WHEREAS local governments are facing rising infrastructure needs but have few revenue opportunities other than property taxes, and the federal government, in recognition of the infrastructure funding challenges faced by Canadian local governments, recently provided local governments with a 100% Goods and Services Tax rebate:

THEREFORE BE IT RESOLVED that the Union of British Columbia Municipalities enter into dialogue with the Province of BC to seek a 100% local government Provincial Sales Tax exemption or rebate.

AND BE IT FURTHER RESOLVED that such exemption or rebate should not result in any reduction of grants in lieu or any other monies presently directed from the provincial government to local governments, nor should this be seen as an opportunity to download additional responsibilities to local governments without providing sufficient funding to compensate for such additional responsibilities.

ON MOTION, as amended, was ENDORSED

B23 FUNDING ATTAINABLE HOUSING IN THE PROVINCE OF BRITISH COLUMBIA Tofino

WHEREAS in many British Columbia communities there are many residents and low income workers who cannot obtain affordable housing for their families, and communities need additional resources to assist in addressing the situation;

AND WHEREAS the Provincial Treasury is the principal beneficiary of the British Columbia Property Transfer Tax, which is derived from the sale of lands within the community;

THEREFORE BE IT RESOLVED that the Minister of Finance be requested to make a portion of the British Columbia Property Transfer Tax available to the communities in which it is raised for the purpose of providing funding for attainable housing for working people in the Province of British Columbia.

ON MOTION, was ENDORSED

B118 AUTHORITY TO WAIVE OR REDUCE DEVELOPMENT COST CHARGES Maple Ridge

WHEREAS pursuant to Division 10, the Development Costs Recovery part of the *Local Government Act* and, more specifically, in respect of Section 933(12), granting authority whereby a local government may provide assistance by waiving or reducing a charge under this section for not for profit rental housing, including supportive living housing;

AND WHEREAS innovative development standards, such as "green" infrastructure and buildings can result in lower impact solutions to the economic, social and ecological impacts of buildings and infrastructure that cost municipalities, residents, and businesses much less over the long term:

THEREFORE BE IT RESOLVED that Section 933(12) of the *Local Government Act* be expanded to provide for the waiving or reducing of a charge in support of building construction incorporating LEED Canada NC Rating System or acceptable equivalent that might apply to single family development.

ON MOTION, was ENDORSED

B119 AUTHORITY TO WAIVE/REDUCE DCCs FOR ADAPTABLE HOUSING STANDARDS Maple Ridge

WHEREAS pursuant to Division 10, the Development Costs Recovery part of the *Local Government Act* and, more specifically, in respect of Section 933(12), granting authority whereby a local government may provide assistance by waiving or reducing a charge under this section for not for profit rental housing, including supportive living housing;

THEREFORE BE IT RESOLVED that Section 933(12) of the *Local Government Act* be expanded to provide for the waiving or reducing of a charge in support of residential building construction incorporating adaptable housing standards.

ON MOTION, was ENDORSED

B142 ELIMINATION OF GOODS AND SERVICES TAX ON HEATING Grand Forks

WHEREAS in Canada, heating cost to residents is a major component of all households' after income tax incomes and the federal government is reported to be considering a reduction in GST charged on taxable goods and services;

AND WHEREAS the immediate elimination of GST on heating fuels, natural gas and electricity would assist all income levels in managing their after tax income:

THEREFORE BE IT RESOLVED that the Union of British Columbia Municipalities request the support of the Federation of Canadian Municipalities for the immediate and permanent elimination of GST on all fuels, natural gas and electricity utilized in heating residential properties.

ON MOTION, was NOT ENDORSED

B171 PROVINCIAL INCOME ASSISTANCE RATES Kelowna

WHEREAS the October 2005 Canada Mortgage and Housing Corporation Rental Market Report for Kelowna indicates average rents far exceed the shelter allowance portion of BC Assistance; AND WHEREAS the cost of living, particularly shelter in this province, has continually increased without corresponding adjustments to the levels of assistance;

AND WHEREAS thousands of low-income households in our city are paying far in excess of 30% (the majority in excess of 50%) of their gross income before tax on shelter;

AND WHEREAS adults with disabilities may have greater expenses than seniors in order to address the needs of their disability, including access to special needs housing:

THEREFORE BE IT RESOLVED that the provincial Ministry of Employment and Income Assistance be asked to increase current assistance rates and implement a program to adjust those rates annually based on the BC Average Annual Consumer Price Index;

AND BE IT FURTHER RESOLVED that the provincial Ministry of Employment and Income Assistance also be asked to increase assistance for adults with disabilities to the same level of assistance available to seniors.

ON MOTION, was REFERRED to UBCM EXECUTIVE