

# Memo



**Date:** May 4, 2010  
**File:** 5040-20 (CFI)  
0710-41 (RIM)  
**To:** City Manager  
**From:** Theresa Eichler, Community Planning Manager  
**Subject:** Proposed Focus Areas for Kelowna Housing Strategy

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**Recommendation:**

THAT Council endorse the Housing Strategy work plan and consultation plan as summarized in the report of the Community Planning Manager dated May 4, 2010.

**Purpose:**

This report identifies a work plan and consultation plan for the Housing Strategy.

On October 26, 2009, Council passed the following resolution:

**R1014/09/10/26** THAT Council direct staff to proceed with the development of a Housing Strategy, as set out in the staff report dated October 14, 2009;

AND THAT Council direct staff to involve the Housing Committee in the preparation and consultation process for the Housing Strategy.

Carried

At the above noted meeting, staff committed to reporting back with further details on the work plan before proceeding with the Housing Strategy. This report is intended to fulfill that commitment.

**Background:**

The Housing Strategy will assess how effective existing actions and strategies have been in satisfying Kelowna residents' housing needs and will provide recommendations for how City resources can best be deployed towards meeting anticipated future needs. The intent is to go beyond affordability into new areas that will position the City correctly in terms of housing need, healthy communities and climate action from the housing supply side.

Since October, Council, Housing Committee members, the Urban Development Institute of Kelowna (UDI) and inter-departmental City staff have all provided ideas and input into the scope of the Strategy. The Housing Committee has very broad stakeholder representation and has already had considerable input into the areas it agrees should be included as part of the Housing Strategy. The discussions have been lively and productive. Opportunities for partnering and stakeholder investment into Kelowna's delivery of a wide range of housing options look promising. The Strategy has evolved through this process from its original intent of consolidating policy direction on housing, conducting additional research and identifying new directions based on public and stakeholder consultation.

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Staff asked for some informal quotes early in 2010 from local consultants to conduct stakeholder and public consultation events and some viable proposals were submitted. Discussion around the nature of the Strategy has continued and the need for greater research than might have been expected has been a result. With the concurrent work underway on the OCP, Community Climate Action Plan, Cultural Plan, and other projects, consultation events should not compete with each other, particularly at the community level. With summer approaching, finalizing the terms of reference to hire a consultant would now be premature until closer to the fall season. However, there is no impediment to meeting with stakeholders during the next few months to ensure their viewpoints and contributions are included. Within the next couple of months, the appropriate means of reaching all sectors of the community with interests in the future housing supply should be much clearer. Often a consultant can add to the richness of the consultation process by offering an unbiased approach to welcoming all feedback and helping to generate maximum participation and interest in the consultation process, as well as providing a comprehensive outcome report. There is no question that staff is also well-versed in community consultation so staff will carefully consider whether to employ consultant assistance with the community consultations. Either way, resources already exist to move forward.

Further to the October report, the proposed areas to be investigated as part of the Housing Strategy are noted in Table 1, in suggested priority order. The issues noted have been identified based on background research and input received to date. The list of issues will no doubt expand and evolve in the months to come in response to further input and research.

**Table 1: Housing Strategy Issues**

<i>Subject for Housing Strategy Investigation</i>	<i>Input and/or Source</i>
1. Re-visit affordability: <ul style="list-style-type: none"> <li>• Re-examine current affordability definitions (rental, owner &amp; core need in the OCP<sup>1</sup>);</li> <li>• Look at ownership affordability in view of current and projected housing supply and housing needs;</li> <li>• Re-visit the needs groups: is it still families first, then singles, followed by special needs and then seniors<sup>2</sup>;</li> <li>• Research additional, effective ways to mix non-market and affordable housing in new development;</li> <li>• Explore and evaluate the various roles of government, the private and non-profit sectors in delivering affordable housing;</li> <li>• Re-evaluate where homelessness fits in terms of levels of government.</li> </ul>	Housing Committee, UDI, Interdepartmental staff
2. Promote rental housing: <ul style="list-style-type: none"> <li>• Find new ways to augment the rental housing supply;</li> <li>• Determine how to encourage rental suites in multi-unit, stratified residential buildings;</li> <li>• Include ways to support industry to provide purpose-built rental housing (no limitation on rent or income);</li> <li>• Explore incentives that can be offered. e.g. DCC options, City-owned land or buildings.</li> </ul>	Housing Committee, Interdepartmental staff

<sup>1</sup> 8.1.16 and 8.1.17 in the current OCP; kelowna.ca City Hall - Official Community Plan - Chapter 8

<http://www.kelowna.ca/CityPage/Docs/PDFs/%5Cbylaws%5COfficial%20Community%20Plan%20-%20Bylaw%20No.%207600/OCP%202020%20Chapter%2008%20-%20Housing.pdf>

<sup>2</sup> These are the needs groups for affordable & core needs housing.

<b><i>Subject for Housing Strategy Investigation</i></b>	<b><i>Input and/or Source</i></b>
3. Look for City-owned land opportunities: <ul style="list-style-type: none"> <li>• Determine roles within the City structure to identify and incorporate any opportunities for housing development on City-owned land;</li> <li>• Include all means of acquisition of land and buildings or dwellings that could support housing partnerships;</li> <li>• Investigate external partners that could help realize housing development opportunities on City-owned land.</li> </ul>	Interdepartmental staff, Housing Committee
4. Green housing and infrastructure costs, benefits and incentives: <ul style="list-style-type: none"> <li>• Determine accreditation for green approaches that is workable in the Kelowna context;</li> <li>• Look at DCC structure and service cost analysis.</li> </ul>	Interdepartmental staff, Housing Committee, UDI
5. Determine new partnership opportunities to deliver the low income housing needs (defined as core need housing in the OCP) of the city: <ul style="list-style-type: none"> <li>• Start with success of four way partnerships (local, provincial, federal governments &amp; non-profit sector) to deliver low income housing that is known to be in short supply in Kelowna;</li> <li>• Include land-based actions outlined under item 3;</li> <li>• Determine ways to facilitate involvement of the private sector (e.g. lenders, large employers, builders).</li> </ul>	UDI, interdepartmental staff, Housing Committee
6. Review funding and expenditure of the Housing Opportunities Reserve Fund: <ul style="list-style-type: none"> <li>• Re-examine using a portion of land sales revenues;</li> <li>• Research external sources of funding for updates;</li> <li>• Highlight land purchase opportunities.</li> </ul>	Interdepartmental staff
7. Family housing: <ul style="list-style-type: none"> <li>• Focus on how to address the needs of families;               <ul style="list-style-type: none"> <li>i. This is an identified need that is not currently being addressed for low to middle income families;</li> </ul> </li> <li>• Include owner and rental family housing;</li> <li>• Affirm appropriate dwelling structure forms for mid to lower income families;</li> <li>• Focus separately on low income/ core need family housing.</li> </ul>	Interdepartmental staff and Housing Committee
8. Find new ways to achieve residential density that is human scale: <ul style="list-style-type: none"> <li>• Compare construction costs to and include opportunities for 6 storey wood frame development;</li> <li>• Show design that creates a neighbourhood environment with creative use of open space (both public and private); e.g. plazas, roof-tops, alleys, building entrances, patios, gardens community &amp; private</li> <li>• Research connectivity to allow easy non-vehicular mobility within neighbourhoods;</li> <li>• Include use of transit and evolution of town centres.</li> </ul>	Interdepartmental staff, UDI, Housing Committee
9. Explore contributions to affordable housing in return for increases in density: <ul style="list-style-type: none"> <li>• Coordinate with new OCP status.</li> </ul>	Interdepartmental staff, Housing Committee, UDI

<i>Subject for Housing Strategy Investigation</i>	<i>Input and/or Source</i>
10. Define the Mobile Home Park Redevelopment Issue: <ul style="list-style-type: none"> <li>Research and quantify the perception that there are many vulnerable, aging populations living in existing mobile home parks that will be faced with redevelopment pressure.</li> <li>Suggest ways and agencies to address this problem.</li> </ul>	Housing Committee;
11. Secondary Suites: <ul style="list-style-type: none"> <li>Expand on 2009 Housing Committee work, that focused on ways to encourage legal suites and address parking issues;</li> <li>Explore the servicing and legality aspects of suites.</li> </ul>	Housing Committee, Interdepartmental staff

Following this, Table 2 identifies the stakeholders that would be invited to participate in the consultation process. The intent is to get the broadest, most creative input into the Strategy’s future directions. The number of Housing Committee members who are also members of the stakeholder groups is given for information. Some are members of more than one organization. However, each Committee member is to serve the broad community, not just represent the interests of any one group. Councillor Craig is a Council representative and therefore a non-voting member of the committee<sup>3</sup>. Public events would also be held, based on suitable timelines, available venues and appropriate format.

**Table 2: Housing Strategy Stakeholders**

<i>Stakeholder for Housing Strategy Consultation</i>	<i>Represented on Housing Committee</i>	<i>Notes</i>
Kelowna UDI <a href="http://www.udi.bc.ca/udi_kelowna.html">http://www.udi.bc.ca/udi_kelowna.html</a>	4 members	Represent the interests of developers in serving the housing needs of our community.
Canadian Home Builders Association- Central Okanagan <a href="http://www.chbaco.com/">http://www.chbaco.com/</a>	2 members	<ul style="list-style-type: none"> <li>Represents housing technology and the skills required to build quality homes.</li> <li>Researches many housing issues; i.e.: taxation reform; regulatory reform; finance; affordability; infrastructure financing; smart growth; labour supply.</li> <li>City staff also has membership.</li> </ul>
Canada Mortgage and Housing Association <a href="http://www.cmhc-schl.gc.ca/en/index.cfm">http://www.cmhc-schl.gc.ca/en/index.cfm</a>	1 member	<ul style="list-style-type: none"> <li>Canada’s national housing agency.</li> <li>Est. as a government-owned corporation in 1946 to address Canada’s post-war housing shortage,</li> <li>Now a major national institution.</li> <li>Canada’s premier provider of mortgage loan insurance, mortgage-backed securities, housing policy and programs, and housing research.</li> </ul>

<sup>3</sup> For Terms of Reference of the Housing Committee to kelowna.ca Council - Committees

<b>Stakeholder for Housing Strategy Consultation</b>	<b>Represented on Housing Committee</b>	<b>Notes</b>
BC Housing <a href="http://www.bchousing.org/">http://www.bchousing.org/</a>	1 member	BC Housing's role is to assist British Columbians in greatest need of affordable and appropriate housing by providing options along the continuum. The housing continuum extends from emergency shelter and housing for the homeless through to affordable rental housing and homeownership. Where there are gaps in the housing continuum, they are addressed through the creation of new housing options or by adapting existing housing
BC Non-Profit Housing Association (BCNPHA) - Members <a href="http://www.bcnpha.ca/">http://www.bcnpha.ca/</a>	2 members	<ul style="list-style-type: none"> <li>• The BCNPHA provides leadership and support to members in creating and supporting a high standard of affordable housing throughout BC.</li> <li>• BCNPHA members are primarily non-profit housing providers. Other members include individuals and organizations that care about affordable housing.</li> <li>• City is also a member</li> </ul>
Okanagan Mainline Real Estate Association <a href="http://www.omreb.com">http://www.omreb.com</a>		<ul style="list-style-type: none"> <li>• Coordinates real estate information for the Okanagan, Shuswap, and Revelstoke areas</li> <li>• Conducts housing market research &amp; publishes statistics.</li> </ul>
Interior Health Authority	1 member	Interested in healthy housing / communities, special needs & seniors housing
Okanagan Landlords Society <a href="http://www.oklandlordsociety.com/">http://www.oklandlordsociety.com/</a>		Professional organization that provides information to landlords on issues such as screening tenants, tenant & landlord rights, arbitration, mediation, insurance, and other services.
Residential Tenancy Branch Office - Kelowna <a href="http://www.rto.gov.bc.ca/default.aspx">http://www.rto.gov.bc.ca/default.aspx</a>		Provincial Government agency that provides landlords and tenants with information and dispute resolution services.
UBCO <a href="http://web.ubc.ca/okanagan/welcome.html">http://web.ubc.ca/okanagan/welcome.html</a>	1 student member	Conducts housing research and provides courses that explore housing issues.
Okanagan College <a href="http://www.okanagan.bc.ca/site15.aspx">http://www.okanagan.bc.ca/site15.aspx</a>		Conducts housing research and provides courses that explore housing issues/ also has residential construction trade program.
Southern Interior Construction Association <a href="http://www.sica.bc.ca/">http://www.sica.bc.ca/</a>		Represents over 600 construction industry members involved in industrial, commercial, institutional, and multi-family residential sectors. Committed to helping members through communicating information and opportunities, developing and delivering appropriate services

<b>Stakeholder for Housing Strategy Consultation</b>	<b>Represented on Housing Committee</b>	<b>Notes</b>
Fortis BC <a href="http://www.fortisbc.com/">http://www.fortisbc.com/</a>		A partnership between Government of BC and the utilities of Fortis BC, BC Hydro and Terasen Gas gives homeowners across BC coordinated access to information and incentives. It also provides incentives to achieve energy efficient homes. Eligible improvements include space heating, water heating, insulation, windows, doors and more.
Terasen <a href="http://www.terasengas.com/Homes/default.htm">http://www.terasengas.com/Homes/default.htm</a>		Provides information and assistance to households on energy efficiency. Terasen is a partner identified in the Fortis BC description.
BC Sustainable Energy Association - Okanagan Chapter <a href="http://www.bcsea.org/">http://www.bcsea.org/</a>		Mission is to facilitate the transition to a sustainable energy future in British Columbia through education, advocacy and tangible community projects. e.g. Green landlord project
Canada Green Building Council <a href="http://www.cagbc.org/">http://www.cagbc.org/</a>	1 member	Mission is to lead and accelerate the transformation to high-performing, healthy green buildings, homes and communities throughout Canada
Cascadia Green Building Council - Thompson Okanagan Branch	1 member	One of three original chapters of the U.S. Green Building Council and a chapter of the Canada Green Building Council. <a href="http://cascadiagbc.org/branches/bc/thompson-okanagan/thompson-okanagan-branch">http://cascadiagbc.org/branches/bc/thompson-okanagan/thompson-okanagan-branch</a>
Genworth Financial Canada <a href="http://www.genworth.ca/">http://www.genworth.ca/</a>		Private sector mortgage insurer; serves homebuyers, mortgage lenders, mortgage brokers, realtors & builders.
Kelowna Chamber of Commerce <a href="http://www.kelownachamber.org">http://www.kelownachamber.org</a>	3 members	Identifies itself as a leading business organization in British Columbia that strives to make Kelowna one of the best mid-sized cities in North America to live, work and play.
Central Okanagan Economic Development Commission (EDC) <a href="http://www.investkelowna.com/">http://www.investkelowna.com/</a>		The EDC is working to grow and diversify the Central Okanagan economy by enhancing and assisting existing businesses and meeting the needs of potential investors. Each year the EDC develops a Strategic Plan with a focus on ensuring economic growth for our region by enhancing existing business and attracting new business (EDC is interested in the housing supply).

**Legal/Statutory Authority:**  
LGA Section 877(2)  
Community Charter 142

**Existing Policy:**

Official Community Plan. Chapter 8 - Housing

Strategic Plan

Goal 3: To foster the social and physical well-being of residents and visitors.

Objective 4: Realize construction of housing forms and prices that meet the needs of Kelowna residents.

- Work in partnership with housing organizations and finance institutions to monitor the range of housing options required in the City.
- Identify ways to establish partnerships with builders, developers and other levels of government in an effort to use targeted City owned land, existing resources and legislative tools to influence the supply and diversity of housing and to increase the supply of affordable housing.
- Review development related bylaws and policies to determine if greater incentives for building affordable housing can be provided.

**Financial/Budgetary Considerations:**

No additional budgetary or financial resources are being requested at this time.

**Community & Media Relations Comments:**

The Communications and Media Relations department will be consulted on appropriate means of engaging stakeholders and informing the community regarding the work of the Housing Strategy.

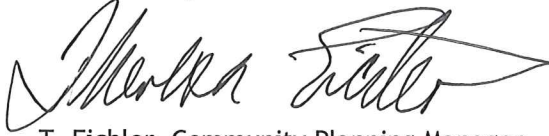
**Internal Circulation:**

Director, Land Use Management  
Director, Real Estate and Building Services  
Director, Development Services  
Director, Design and Construction Services  
Director, Civic Operations  
Director, Community and Media Relations  
Director, Corporate Services  
Director, Financial Services  
Director, Strategic Initiatives Department  
City Clerk  
Urban Land Use Manager

**Considerations not applicable to this report:**

Legal/Statutory Procedural Requirements:  
Personnel Implications:  
External Agency/Public Comments:  
Alternate Recommendation:

Submitted by:



T. Eichler, Community Planning Manager

Approved for inclusion:



SB

cc:

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