



Rental Housing Grants

2019 Funding Recommendations
Policy & Planning Department



Kelowna's Rental Housing Market

Primary Rental Market

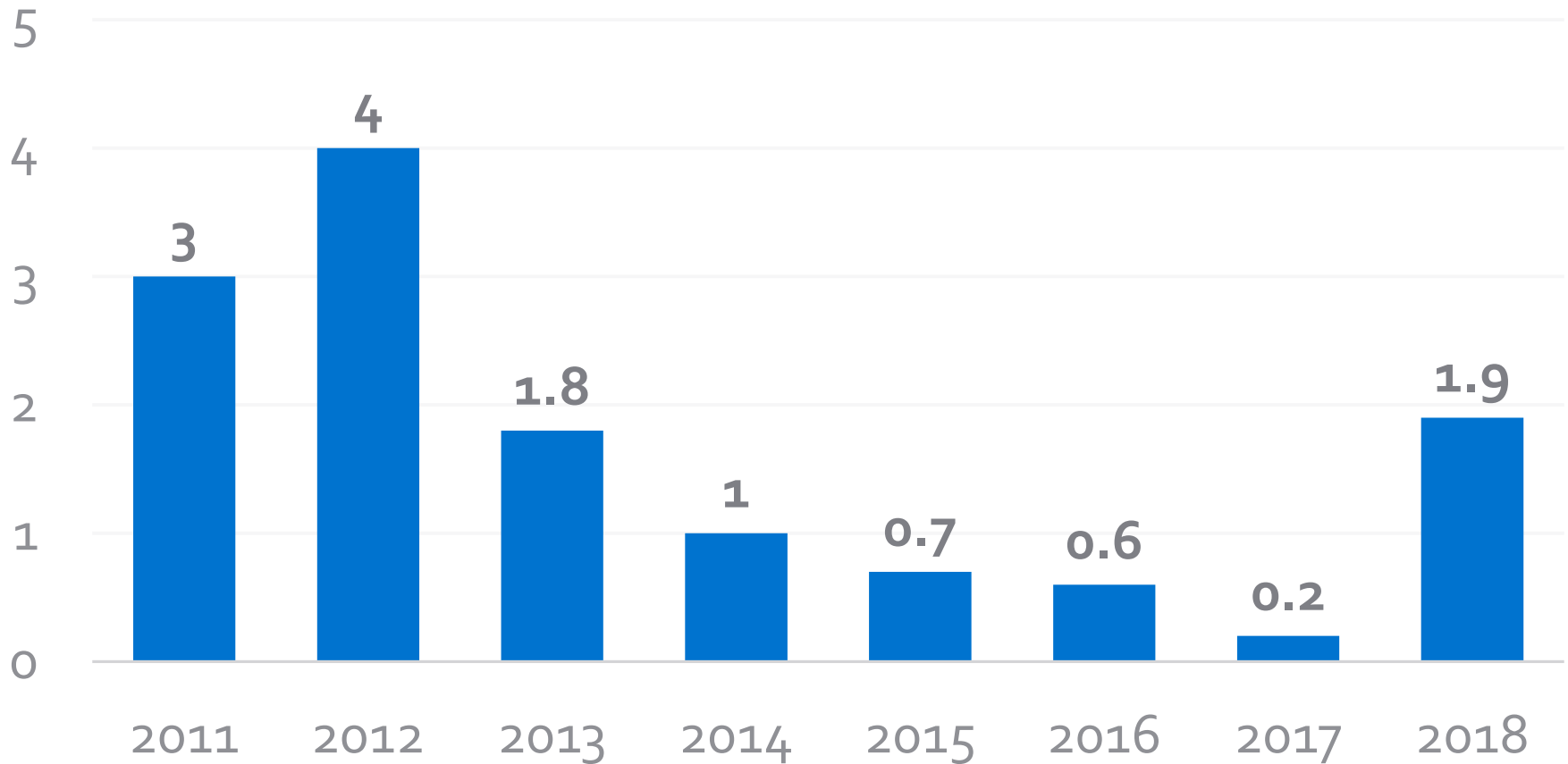
- Market rentals
- Affordable rentals
- Supportive housing

Secondary Rental Market

- Carriage houses
- Secondary suites
- Rental condo units

Primary Rental Housing Data

Kelowna CMA Vacancy Rate



Source: CMHC Rental Market Reports – Kelowna CMA

Primary Rental Market Data

- ▶ Healthy supply of smaller units (singles, students etc)
- ▶ High demand for larger units (couples, families etc)
- ▶ Population growth moderated in 2018

Vacancy for 1 Bedroom Units

- 2018 - 3.5%
- 2017 - 0.2%

Vacancy for 2 Bedroom Units

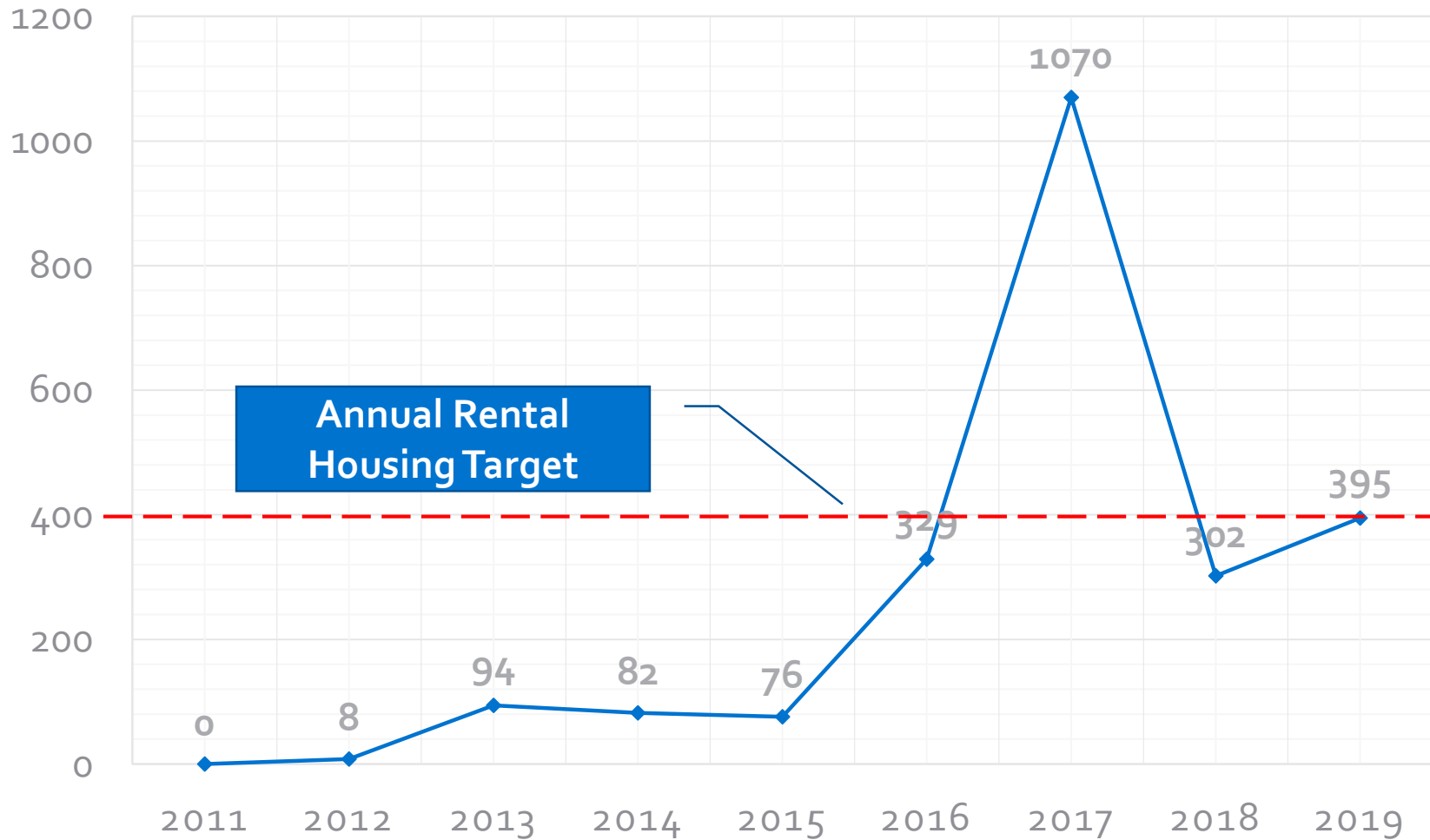
- 2018 - 0.9%
- 2017 - 0.2%

Vacancy for 3 Bedroom Units

- 2018 = 1.4%
- 2017 - 0.0%

Source: CMHC Rental Market Reports – Kelowna CMA

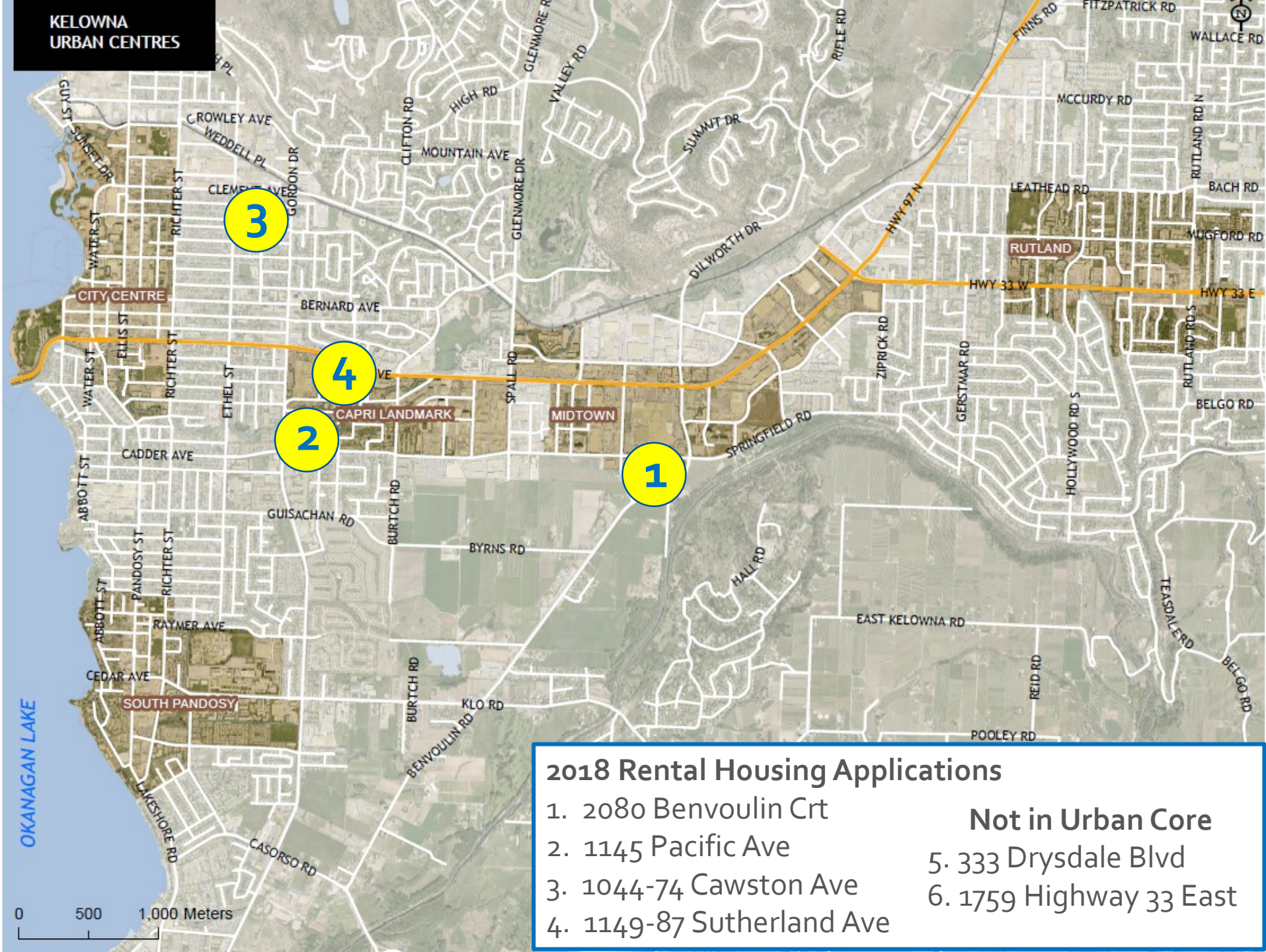
Rental Housing Program Intake



2019 Application Intake

- ▶ Achieved *Healthy Housing* target of 400 units
- ▶ 189 of units are affordable rental (BC Housing)
- ▶ Half of projects incorporating family friendly units
- ▶ Four projects located centrally in the Urban Core

KELOWNA URBAN CENTRES



2019 Grant Applicants

Project	Number of Units	Type of Project
1759 Highway 33 East	49	Affordable Rental
1145 Pacific Ave	31	Market Rental
1044-74 Cawston Ave.	40	Affordable Rental
1149-87 Sutherland Ave	36	Affordable Rental
2080 Benvoulin Crt	64	Affordable Rental
333 Drysdale Boulevard	175	Market Rental

- ▶ Total funds available for 2018 is \$320,000 disbursed among 395 units
- ▶ Grant amount per unit type : \$1,960 /3+ bdr, \$980 /2 bdr, & \$490 /1 bdr

Recommended Grant Amounts



Project	Number of Units	Recommended Grant
1759 Highway 33 East	49	\$49,984
1145 Pacific Ave	31	\$32,833
1044-74 Cawston Ave	40	\$36,753
1149-87 Sutherland Ave	36	\$21,562
2080 Benvoulin Crt	64	\$31,362
333 Drysdale Blvd	175	\$147, 503

- ▶ \$320,000 in funding available for 2019 grants disbursed among 395 units
- ▶ Grant amount per unit type : \$1,960 /3+ bdr, \$980 /2 bdr, & \$490 /1 bdr

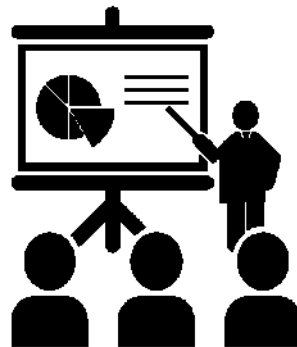
Next Steps & Timeline

- ▶ Letters to successful applicants (subject to council approval)
- ▶ Secure Housing Agreements
- ▶ Credit on DCC payment with building permit
- ▶ Next intake Fall 2019 (program to be reviewed in 2019)

Applications
Received



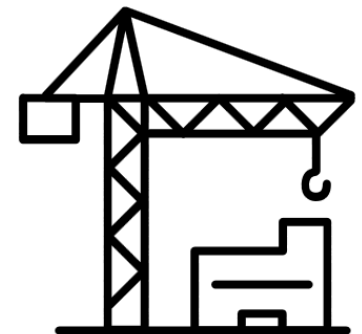
Council Approves
Grant Amounts



DCC Credits at
Building Permit



Construction Of
New Rental Units



Conclusions

- ▶ New primary rental supply improving vacancy rates
 - ▶ Over a thousand rental units under construction
- ▶ Secondary rental market may improve in 2019
 - ▶ Provincial legislation & short-term rental regulations
- ▶ High demand for affordable rental housing
 - ▶ Market rental rates are unaffordable for many residents
 - ▶ City is looking to take on a greater role in land acquisition
- ▶ On-going supply needed to ensure healthy rental market
- ▶ Rental program incentives to be updated in 2019