



City of Kelowna
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Council Policy

Rental Housing Grants Eligibility

ESTABLISHED: 07/02/05

Contact Department: Policy & Planning

Guiding Principle

The Rental Housing Grants Eligibility Policy aligns with the goal to encourage the construction of affordable long-term rental housing as established by the Healthy Housing Strategy, endorsed in June 2018.

Purpose

The policy describes the management of the Rental Housing Grants Program, establishing who is eligible to apply for the grants and how the development cost-charge credits are disbursed annually.

Application

To be eligible for the grant funding, affordable rental projects must be located within the Core Area, Glenmore Valley Village Centre or the University South Village Centre as defined by the OCP Bylaw No. 10500 and meet one of the following requirements:

- Non-market rental housing units where a non-profit housing provider¹ is the applicant;
- Non-market rental housing units where a long-term operating agreement² is in place between a for-profit developer and a non-profit housing provider for a minimum of 10 per cent of the total units within any individual rental housing project. Only the units that are managed by a non-profit are eligible for the grant;
- Non-market rental housing units where a long-term operating agreement is in place between a for-profit developer and the Provincial Rental Housing Corporation (BC Housing);

Micro-suite units will not be eligible to receive the rental housing grants as they are not required to pay development cost-charges;

Policy Statements

1. Complete applications must be submitted to the Policy & Planning Department by October 31st of each year;
2. The Policy & Planning Department will review all applications and prepare a report to Council no later than January 31st of the subsequent year, summarizing the recommended eligible dwelling units for rental housing grants;
3. All rental housing grant funding allocations must be approved by Council;
4. Any funds that are not paid out in grants in a given year will be added to the Housing Opportunities Reserve Fund to be used for other purposes set out in the HORF Bylaw No. 8593.
5. Grants may be provided to housing providers up to a maximum level of:
 - a) \$8,000 per three-bedroom unit,
 - b) \$4,000 per two-bedroom unit,
 - c) \$2,000 per one-bedroom or bachelor unit.
6. Projects where the City has contributed land at little or no cost, by lease or sale, in order to secure affordable housing, would qualify to apply for the funding identified under 5 (a) (b) and (c) above, up to the maximum dollar amount

¹ Non-profit housing providers are associations, clubs, or societies that are organized and operated exclusively for affordable housing, social welfare, civic improvement, or any other purpose except profit.

² Operating agreement must be for a minimum of 15 years.

equivalent to the total development cost charges payable, less the market value of the land contributed by the City;

7. The amount available per dwelling unit will be determined based on the number of eligible units that have applied and the amount of funds allocated through the annual budget process and available in the given year;
8. Consideration of each application for funding is contingent on there being a reasonable expectation that the eligible units will be constructed in the calendar year of approval. Where a development is being phased, each distinct phase will be treated as a separate application;
9. If dwellings authorized for funding under this policy do not reach building permit stage in the year that the funding was authorized, a carryover request may be accepted for up to a maximum of one year following the year the grants were authorized.
10. At the time of building permit issuance, the authorized funding will be applied as a deduction from the total development cost charges payable;
11. Projects receiving housing grants will be required to secure their dwelling units through a housing agreement with the City of Kelowna. In cases where the project has a long-term (15 years or greater) operating agreement in place with the Provincial Rental Housing Corporation (BC Housing), a housing agreement with the City of Kelowna will not be required;

Amendments

Resolutions listed here with associated action