Understanding the challenges and opportunities of retrofitting Kelowna's existing buildings first requires an understanding of the current building stock. The following section summarizes greenhouse gas (GHG) emissions sources from the buildings sector, the age of existing buildings, and the number of renovation permits issued on an annual basis between 2014 and 2019.

GHG Emissions Sources from the Building Sector

Within the building sector, natural gas consumption accounts for 92 per cent of GHG emissions in Kelowna. Residential natural gas use contributes 52 per cent of this total, while natural gas consumed by industrial, commercial and institutional buildings (ICI) account for the remaining 40 per cent.

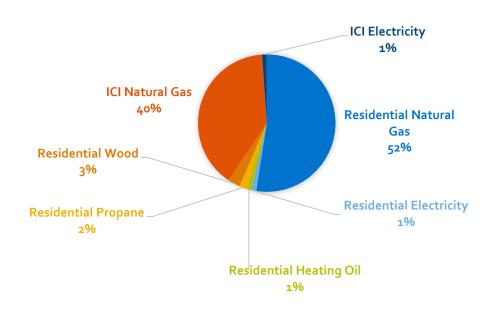


Figure 1: Kelowna's Sector Building Emissions (tCo2e) - 2012¹

Residential

Building Makeup

Approximately 27 per cent of the current housing stock in Kelowna was built prior to 1980, and 52 per cent was built prior to 2000. Many houses are therefore reaching the age where major structural components will need to be replaced. This offers an excellent opportunity to not only bring these dwellings up to current codes but to dramatically increase efficiency through envelope and mechanical system upgrades.

¹ BC Government. Community Energy and Emissions Inventory (CEEI). Retrieved from: https://www2.gov.bc.ca/gov/content/environment/climate-change/data/ceei.

Table 1: Vintage of Existing and Projected Residential Housing Units

Build Date		Proportion of
Range ²	# of Units	Total
Pre-1960	3,950	5.3%
1961-1980	16,155	21.8%
1981-1990	8,160	11.0%
1991-2000	10,500	14.2%
2001-2010	11,645	15.7%
2011-2016	3,500	4.7%
2017-2040	20,130	27.2%
Total	74,040	100.0%

Renovation Permits Issued Annually

From 2014 to 2018, an average of 669 residential renovation permits were issued on an annual basis (Table 2). This represents 1.2 per cent of the existing residential building stock. To reach the goals of Community Energy Retrofit Strategy outlined in the *Community Climate Action Plan* (CCAP) (i.e., one per cent of the existing residential building stock will need be retrofitted annually, achieving a 30 per cent improvement in energy efficiency in each of these units), every one of the residential renovations would need to be targeted toward energy efficiency – a motivation that often ranks near the bottom of motivations for renovating. Additionally, it is widely assumed that a large portion of the renovation market is "underground," meaning that a large majority of renovations would not be permitted with the City (and therefore not captured in the development statistics in Tables 2 and 3). On one hand this is positive because it assumes there are more renovations occurring, and therefore more opportunities to encourage energy retrofits. Conversely, unpermitted renovations mean there is no "trigger" to engage with homeowners at the time of permit (could engage with them through promotion, etc.).

² Data to 2016 was retrieved from <a href="http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=5935010&Geo2=PR&Code2=01&Data=Count&SearchText=kelowna&SearchType=Begins&SearchPR=01&B1=Housing&TABID=1; 2017-2031 data was retrieved from the City of Kelowna Housing Demand Forecast: Looking to 2040 (June, 2018).

³ CIBC. 2016. CIBC Home Renovation Poll.

⁴ BC Housing. 2017. Encouraging Green Renovations: Research Overview – Presentation to Community Energy Managers. Presentation on September 28, 2017.

Table 2: Renovation Permits and Value Across Residential Renovation Types (2014-2019)

Tuote 27 ite	inovacion i cin	Residential Renovation Type Residential Renovation Type									
Year		Apartment	SFD - Reno	SFD - Addition	SFD - Addition Suite	SFD - Suite	2 Family - Reno	2 Family Addition	3 Family - Reno	Townhouse - Reno	Res Totals
2017	Permits	26	335	85	7	117	18	4	0	21	613
2014	Value (\$)	4,228,000	9,615,219	9,463,435	1,478,000	2,421,510	399,000	90,000	0	666,000	28,361,164
Average Renovation Value						\$46,266					
2015	Permits	27	294	96	13	135	8	2	0	23	598
	Value (\$)	1,514,000	9,235,697	5,661,200	1,197,500	2,404,820	311,087	20,000	0	407,500	20,751,804
Average Renovation Value								\$34,702			
2016	Permits	36	380	97	11	166	15	1	0	27	733
2016	Value (\$)	1,432,000	10,154,711	6,491,100	790,940	4,481,500	282,381	180,000	0	496,955	24,309,587
Average Renovation Value								\$33,164			
	Permits	48	299	104	21	189	18	4	1	25	709
2017	Value (\$)	2,621,093	10,863,378	7,686,410	2,591,550	5,782,175	582,180	48,000	10,000	1,093,000	31,277,786
Average Renovation Value							\$44,115				
2018	Permits	57	309	121	20	166	15	2	1	1	692
2016	Value (\$)	17,984,968	9,453,791	9,899,600	2,798,000	5,107,367	741,923	80,000	10,000	10,000	47,097,080
Average Renovation Value							\$68,059				
2019 (YTD)*	Permits	63	234	100	13	113	8	3	2	0	536
	Value (\$)	6,773,551	8,964,163	8,506,920	3,392,628	4,337,499	189,530	30,000	58,000	0	32,727,926
Average Renovation Value							\$61,059				

^{*}YTD: year-to-date (permits issued between January and the end of September in 2019)

Industrial, Commercial, and Institutional Buildings

Building Makeup

The industrial, commercial, and institutional buildings (ICI) built environment is not as well understood as low density residential (the best we can do is use proxy measures to gather information about the number of buildings, age, and use). There is a great need to better understand the makeup and energy consumption patterns of non-residential buildings to enable informed decision making regarding how or if to target ICI structures with a retrofit program.

Renovation Permits Issued Annually

From 2014 to 2018 an average of 343 ICI renovation permits were issued on an annual basis (Table 3).

Table 3: Renovation Permits and Value Across ICI Renovation Types (2014-2019)

		Industrial, Commercial & Institutional Renovation Type				
Year		Industrial - Reno	Commercial - Reno	Institutional - Reno	Total	
2014	Permits	35	283	21	339	
	Value (\$)	2,264,000	30,007,872	5,872,317	38,144,189	
Average Renovation Value (\$)		64,685	106,034	279,634	112,519	
2015	Permits	34	284	29	347	
	Value (\$)	1,857,836	26,658,075	24,844,600	53,360,511	
Average Renovation Value (\$)		54,642	93,866	856,710	153,776	
2016	Permits	50	243	23	316	
	Value (\$)	3,825,930	40,283,605	29,056,810	73,166,345	
Average Renovation Value (\$)		76,518	165,776	1,263,339	231,539	
2017	Permits	41	292	18	351	
	Value (\$)	3,817,800	41,527,623	2,591,775	47,937,198	
Average R	Average Renovation Value (\$) 93,117 142,217 143,987		136,573			
2018	Permits	63	283	16	362	
	Value (\$)	19,879,092	39,837,250	2,307,730	62,024,072	
Average Renovation Value (\$)		315,541	140,767	144,233	171,337	
2019 (YTD)*	Permits	49	275	16	340	
	Value (\$)	6,808,766	35,814,744	2,208,915	44,832,425	
J	Renovation Value (\$)	138,954	130,235	138,057	131,860	

^{*}YTD: year-to-date (permits issued between January and the end of September in 2019)