

Report to Council



Date: March 15, 2021
To: Council
From: City Manager
Subject: Reporting progress on Council Priorities 2019 – 2022
Department: Corporate Strategy and Performance

Recommendation:

THAT COUNCIL receive the report from the Corporate Strategy & Performance Department dated March 15, 2021 with respect to reporting progress in 2020 on Council Priorities 2019-2022;

AND THAT COUNCIL direct staff to report back on the 2021 progress for Council Priorities in spring 2022.

Purpose:

To present the 2020 results of the progress report on Council Priorities 2019-2022.

Background:

During the May 25, 2020 presentation to Council on the 2019 progress report for Council priorities, Council directed staff to report back on progress in spring 2021.

It's important to note that this report is focused on the progress of results achieved in 2020. Significant progress was achieved despite the impacts of COVID19 on the community and the organization. Specific results and programs were acutely impacted by health measures resulting from COVID 19, notably:

- YLW passenger counts and revenues
- Recreation centre operations, programs and revenues
- Community events
- Number of people experiencing homelessness

The impacts on residents and businesses have been profound and uneven as all faced a high level of uncertainty through last year regarding the spread of COVID 19, health measures and recovery. The City took action to support the community including reducing the tax rate at final budget in April, delaying the late penalty fee for property tax payments, and supporting the tourism and service sectors through the Bernard Avenue project to increase foot traffic and patio spaces.

While the future is still uncertain, Kelowna appears well-positioned for recovery based on recent data that shows continued population growth, unemployment trending down, and increasing building permit values through the final months of 2020 and early 2021.

Council Priorities 2019-2022, *Imagine Kelowna: vision into action*, released on April 29, 2019 identified priority areas where Council wants to see a difference during its four-year term in office. It also identified the corporate results needed to ensure the organization delivers on Council's priorities and the vision put forth by the community through *Imagine Kelowna*.

Publicly reporting progress on Council priorities 2019-2022 shows accountability for results and is a cornerstone of good governance. By being transparent with our reporting, we aim to build trust with citizens and other community partners. It helps us stay on track and focused on outcomes, and by evaluating our progress regularly, we are primed for innovation and to continuously improve our results.

Program Details:

The key elements include:

- Subject matter experts annually collect, analyze and present to the Senior Leadership Team (SLT) progress results; and
- SLT review and approve the progress results to be publicly reported.

The report is available online at www.kelowna.ca/councilpriorities or directly at <https://opendata.kelowna.ca/pages/council-priorities>

Each of the 39 results statements has a measure that provides the best available evidence of our progress. The evidence may be quantitative or a narrative. The analysis of each measure answers four questions:

- Why is this important? The analysis speaks to the role of the City, what trends we want to see and identifies limitations of the data.
- How are we doing? The analysis speaks to the rationale supporting the judgement of how we are doing (e.g. on track, no change).
- What are we doing? The text provides examples of activity undertaken in 2020 or underway in 2021.
- What is next? The text provides planned or potential future activity.

The analysis is at the core of the reporting; it is the analysis that gets us thinking about our performance and opportunities for improvement, including clarifying the role of the City. For example, for the result "homelessness is decreasing" the City can convene partners to lead a coordinated local response; however, it does not fund, build or operate housing with supports, shelters, or scattered sites.

Results

Overall, the organization reported that:

- 27 results are on track and trending in the desired direction
- 7 results have not seen significant change from last year
- 5 results need improvement and are not trending in the desired direction.

The evaluation of how we're doing changed for 15 results between 2019 and 2020. The progress seen for eight (8) results improved, while it declined for seven (7) results.

Progress improved

- Crime rates are decreasing
- Resident sense of safety
- Data and analysis are used to understand problems & target responses
- Policy is guiding where the City invests resources
- Travel times are optimized
- The cost to deliver services is quantified
- Divisional/departmental plans
- Ability to recruit, select and retain talent

Progress declined

- Homelessness is decreasing
- More trips by transit, carpooling, cycling & walking
- Emerging technologies are making it easier to get around
- Number of urban centre development plans is increasing
- Affordable and attainable housing mix options
- Parks and public spaces are animated
- Non tax revenues are increasing

A summary of all statuses in the 2020 progress report and the change in statuses between the 2019 and 2020 progress reports are available as attachments to this report.

This Council Report highlights several results in the Community Safety, Social & Inclusive, Vibrant Neighborhood, Economic Resiliency and Environmental Protection focus areas. Most results within these areas are measures of community well-being where the City is working alongside its many partners to influence the trend and it is important to note the City's level of influence varies by focus area and result. For some results though, the City has full control over the desired result, like for example "The number of urban centre development plans is increasing" within the Vibrant Neighborhood focus area. The reporting focuses on the specific priorities Council set itself in Council priorities 2019-2022, but does not include the full scope of activity under the larger focus area (e.g. the Environmental Protection has several measures on how we respond to climate change, however does not cover topics such as the quality of our creeks and lakes).

Community Safety

The result "Crime rates are decreasing," as measured by the number of reported property offences, is trending in the desired direction. Like the trend in other major cities in BC, property crime in Kelowna decreased 19 per cent in 2020. This improvement offsets annual increases in property crime in both 2018 and 2019. It is important to acknowledge that a significant share of property crimes are 'crimes of opportunity'. COVID-19 restrictions and the increased presence of Kelowna citizens staying closer to home in 2020 likely contributed to this decrease.

The result "Residents feel safe in their communities" did not change from 2019. In the 2020 Citizen Survey, the majority (87 per cent) of residents say Kelowna is a safe community. This is the same as was

reported in the 2018 City Citizen Survey, although the strength of the figure was marginally lower with 20 per cent and 67 per cent stating they feel “very safe” and “somewhat safe”, respectively. While there was no substantial change in 2020, this follows years of successive decline; from 94 per cent in 2015, to 90 per cent in 2017 and 87 per cent in 2018. The reasons cited by survey respondents relate to “more homelessness/poverty, drugs, break-ins/theft and increase in crime”, respectively.

Social and Inclusive

The progress on “Homelessness is decreasing” has not changed substantially from the 2019 report. In the absence of comprehensive system-wide data, there is an ongoing need to rely on the bi-annual Point-in-Time (PiT) Counts conducted locally to measure progress in addressing homelessness. The last counts were conducted in 2016, 2018 and 2020. Between 2016 and 2018 a 23 per cent increase in the number of people experiencing homelessness in Kelowna was reported. Between 2018 and 2020 the pace of increase slowed significantly, rising only four per cent. While it appeared that Kelowna was trending towards a substantial decrease, the impact of the pandemic has been significant. In the absence of real-time data, the number of winter emergency shelter beds is an indicator that, despite the significant number of people that have been housed, the same number of shelter beds were required this winter as in 2019.

While the most recent PiT count shows an increase in the number of people experiencing homelessness, there is significant activity underway in the community including: new housing units opened (139 in 2020 and 49 planned for early 2021), scattered sites housing first units (117 units in operation), community inclusion model application, Built for Zero (real-time, person specific data), COVID-19 pandemic response (improved coordination between providers) and winter shelter solutions (three temporary emergency shelters).

The result “Social policy is guiding where the City invests” is trending in the desired direction. The City has continued to invest in initiatives designed to address the community’s social needs. Examples of key initiatives include housing needs assessment, Journey Home Strategy, Healthy Housing Strategy, Central Okanagan Wellness Analysis, KOAst Table and Community Inclusion Team. Examples of initiatives currently in development include Central Okanagan Journey Home Society Funding, Kelowna Community Court, Community Emergency Shelter Plan, Complex Needs Advocacy Paper, Regional Poverty Reduction Strategy, and Emergency Transit Assistance Program. Note the primary measure changed from 2019 to provide a more holistic view; the 2019 primary measure “Social policy framework” is included in the 2020 report under the ‘taking a closer look’ section.

Vibrant Neighborhoods

The result “The housing mix provides affordable and attainable options” is not trending in the desired direction. The data for median multiple, which measures the median house price divided by the median household income, is at the highest in the past 10 years. The increase is attributed to housing prices which increased 12% in 2020; price increases were most pronounced in single family homes and townhouse and partly driven by historically low interest rates.

Although the City saw over 600 rental units completed in 2020, strong rental demand resulted in a decrease in the vacancy rate and average rental rates were up 3 per cent. The City continues to encourage the development of rental housing through incentive programs such as the rental housing grants program and the revitalization tax exemption (RTE) program. The rental

housing grants program supported three affordable rental projects in 2020 and Council approved tax exemption agreements for 715 long-term rental units. In terms of the ownership market, 52 per cent of building permits issued were for more compact forms of housing that are generally affordable to a greater number of residents. Also, the City continues to work with partners to develop more affordable rental units through strategic land acquisitions.

Economic Resiliency

The reason the four results under the economic resiliency are trending in the right direction, despite the economic impacts from COVID-19, is due to the specific scope of the desired results and the City's role.

The result for "The infrastructure deficit is decreasing" is trending in the desired direction. The City has taken significant steps to reduce the deficit based on areas within its control, notably the introduction of an Infrastructure Levy in 2019 and a Park Development Cost Charge (DCC) in 2020 to increase the funding available for projects identified in the 10-Year Capital Plan.

The result for "City policies are enabling investment" is trending in the desired direction due to the replacement underway of legacy business systems used to manage land development, construction activity, business licensing, and other permitting functions. Services will be accessible online 24/7 from home, office or construction site on any electronic device. New features will include online applications, stream-lined payment options, paper-less inspection results, digital plan review, and a web portal for customers to view and manage their applications.

The results for both "Top talent is living in Kelowna" and "The economic impact of key sectors is increasing" are trending in the desired direction. Regarding top talent, the City's primary role is to focus on 'quality of place': dense, diverse, and culturally open urban environments that are a much more powerful conduit for prosperity. We are seeing an increase in post-secondary enrollment and the per cent of UBCO students staying in the Okanagan after graduation. Regarding key sector impact, Kelowna continues to benefit from the City's investment in the Innovation Centre and the internal-facing Business Investment Advisory service provides a thorough review and analysis of partnership and investment opportunities to ensure the benefits are maximized and recommend a course of action.

Environmental Protection

The result for "Greenhouse Gas emissions are decreasing" is still not trending in the desired direction. This measure reports on both community and corporate emissions and the assessment aggregates both community and corporate emissions.

While we are not trending in the desired direction there is significant activity underway to address this important issue. On the community side current and planned action include Community Energy Retrofit Strategy, Community Electric Vehicle Strategy, 2040 Official Community Plan, Modelling. On the corporate side current and planned action include LED streetlight retrofits, energy efficiency upgrades and green fleet strategy. City Council approved a position in the 2021 budget to help determine what additional actions the City needs to take or amplify to address climate change.

Next steps:

The progress report will be used to inform work planning and budget direction for 2022 and inform continuous improvement in the organization. The next progress report is planned for spring 2022.

Considerations applicable to this report:

Existing Policy:

Reporting annually on progress will support the implementation of Council Priorities 2019 – 2022.

Considerations not applicable to this report:

Financial/Budgetary Considerations:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Internal Circulation:

External Agency/Public Comments:

Communications Comments:

Submitted by: M. McGreer, Corporate Strategy and Performance Dept. Manager

Approved for inclusion:

CW

cc: SLT