

Report to Council



Date: September 20, 2021

To: Council

From: City Manager

Subject: 2021 Planning and Development Statistics – Quarter 2

Department: Planning and Development Services

Recommendation:

THAT Council receives, for information, the report from the Planning and Development Services department dated September 20, 2021, with information relating to Planning and Development Statistics;

Purpose:

This report updates Council on Building and Development Statistics for the second quarter of 2021.

Background:

To keep Council current with local development and construction trends, the Divisional Director of Planning and Development Services will endeavor to bring quarterly reports forward for Council's information. As the structure of this report continues to develop, the goal is to improve the connection between Council's consideration of development applications on a weekly basis and the larger picture of housing goals in the Official Community Plan.

Discussion:

Changes made to development fees and standards over the last couple of years have clearly shown the sensitivity of the local development industry to changes. This continued to be evident in the second quarter of 2021.

Building Permit Intake Statistics – Quarter 2 - 2021

Overall, the second quarter of 2021 development application statistics showed a continuation of the upward trend in development activity from the first quarter. Factors that impacted the development industry in this quarter include:

- a) Step Code Level 3 implementation for new Single-Family Dwellings
- b) Continued demand for all types of housing – particularly multi-family housing in the City's core area

A heavy influence on permit values in Q1 was the Building Permit deadlines for DCC grandfathered projects. On June 1, Step Code 3 came into effect. Part 9 Building Permits received after June 1, 2021 (with relevant major occupancy types) were required to demonstrate compliance with Step Code 3 requirements. Prior to the June 1 deadline the City saw 129 new permits in a two-day period totaling \$88,325,202.00 in estimated construction value.

Planning Application Intake Statistics – Quarter 2 - 2021

The Planning department is on pace to process approximately 900-development applications in 2021. This volume is consistent with development activity peaks seen in 2016 and 2019. There continues to be significant development interest in the City with the focus mainly on Kelowna's core area.

To date, 2418 units have been permitted in 2021 which is above the 5-year average of 2106 units. Of those units, 1672 are multi-family in form. 54% of these multi-family units are in Kelowna's urban core. Of note, there have also been 385 applications for secondary suites in 2021 which is also above the 5-year average. These are guaranteed rental housing units that help the City ensure a diverse housing stock is being constructed.

Looking Ahead

Staff have been working to coordinate information from relevant data sources into a dashboard that will be able to be used in the future to show trends in development statistics. This will help with both resource and budget forecasting in the future. Staff hope to be able to better illustrate how/when permitting processes translate into additional taxation revenue.

Other significant initiatives related to the Planning and Development Services division that can be expected to come forward in the final quarter of 2022 include:

- Official Community Plan 2040 adoption
- EV Strategy Endorsement
- Public Consultation for Zoning Bylaw update
- Champion of the Environment Check-In/Update
- Tree Protection Options Report

Considerations not applicable to this report:

Internal Circulation:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

External Agency/Public Comments:

Communications Comments:

Financial/Budgetary Considerations:

Submitted by: R. Smith, Divisional Director, Planning and Development Services

Approved for inclusion: D. Gilchrist, City Manager

Attachment: 1 - PowerPoint