



Housing Unaffordability: Crisis or crossroads?

2021 Community Trends Report



Presentation Outline

- ▶ Purpose of Community Trends Report
- ▶ Infographic description
- ▶ Introduce 2021 topic: Housing Unaffordability
- ▶ Discussion on report themes:
 - ▶ The affordability gap
 - ▶ Changing the conversation
 - ▶ Re-examining roles
 - ▶ Re-thinking the system



Community Trends Report

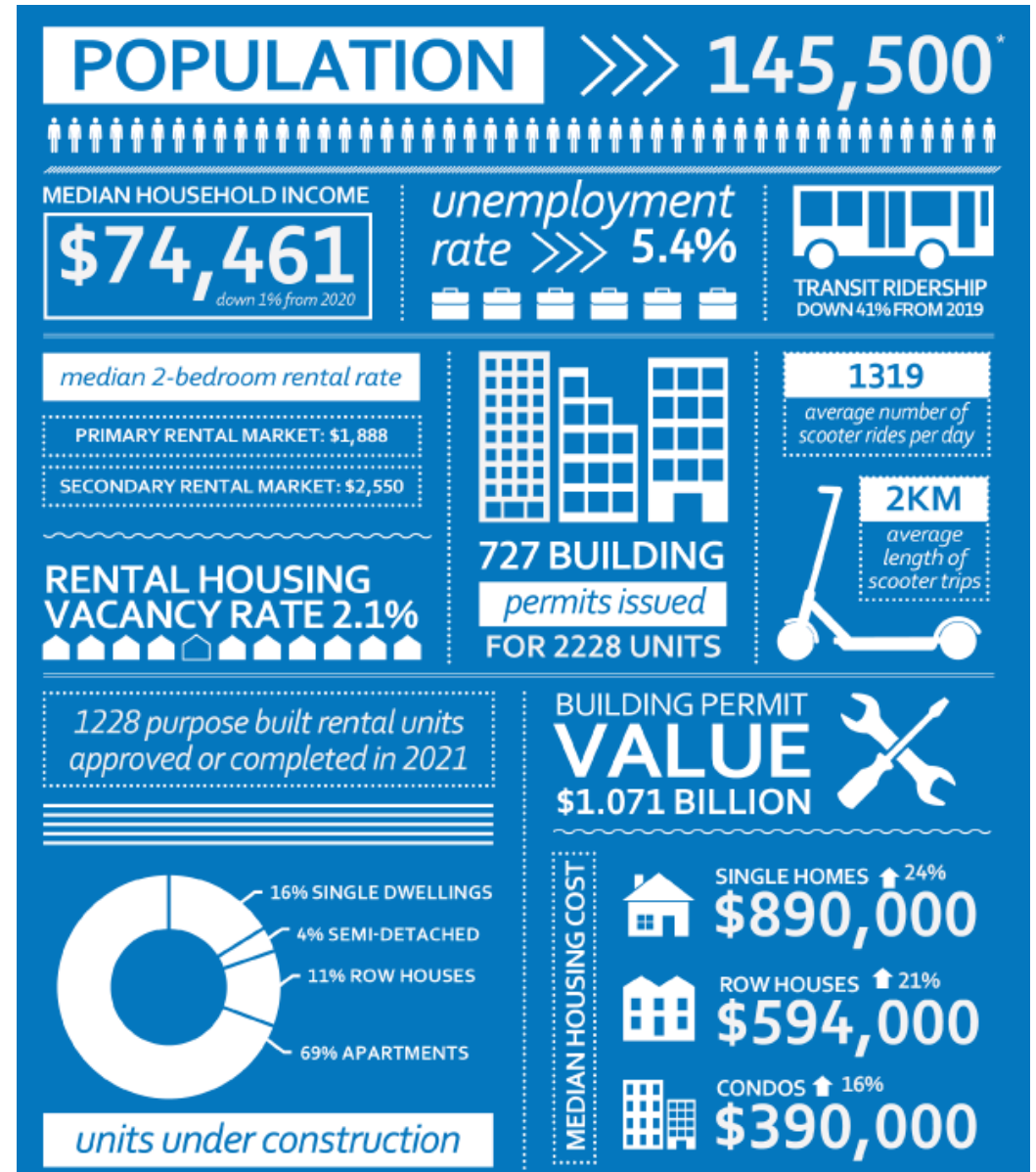
- ▶ Research based
- ▶ Explores a major theme
- ▶ Understand local impacts of broader trends
- ▶ Forward looking and give advance thinking

City of **Kelowna**



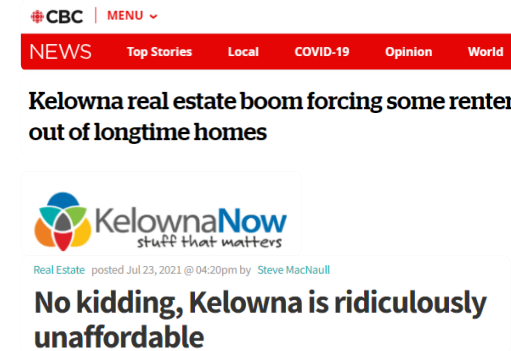
Infographic 2021

- ▶ Some good news statistics
- ▶ Unemployment decreased
- ▶ Transit ridership increased
- ▶ Building permit value passed \$1B



2021 Trend: Housing Unaffordability

- ▶ Significant leap in housing costs
- ▶ A national trend in 2021
- ▶ A worsening state of affordability, exacerbated by pandemic
- ▶ Stagnant wages
- ▶ Report highlights trends within broader conversations of housing affordability
- ▶ “Conversations”: media, research sources, other locations’ policy documents



Housing unaffordability: key topics

- ▶ Conversations are complex and mixed
- ▶ Unpack the themes within these conversations, looking to the future
- ▶ The report poses key questions:
 - ▶ What does unaffordability look like?
 - ▶ How is it discussed and why does it matter?
 - ▶ How can housing conversations be as productive as possible?
 - ▶ What are possible changes to the housing system?



Kelowna real estate boom forcing some renters out of longtime homes



Real Estate posted Jul 23, 2021 @ 04:20pm by Steve MacNaull

No kidding, Kelowna is ridiculously unaffordable

NATIONAL POST

News / Election 2021 / Canadian Politics

Housing affordability is shaping up to be a top issue in the election

NDP and Conservative parties both target mortgage rules, foreign buyers and increased supply



B.C. municipalities say they need more help from province to tackle housing crisis

TORONTO STAR

Vancouver's housing crisis woes go national

VANCOUVER SUN

Opinion / Op-Ed

Darlene Hyde and Dan Morrison: Governments in Canada need to work together to solve current housing crisis

BNN Bloomberg

NEWS

LIVE TV

VIDEO

SHOWS

MA

Here are 5 ways the feds could fix Canada's housing crisis

blogTO

City

Toronto advances policy to curb housing crisis but some say it's not enough

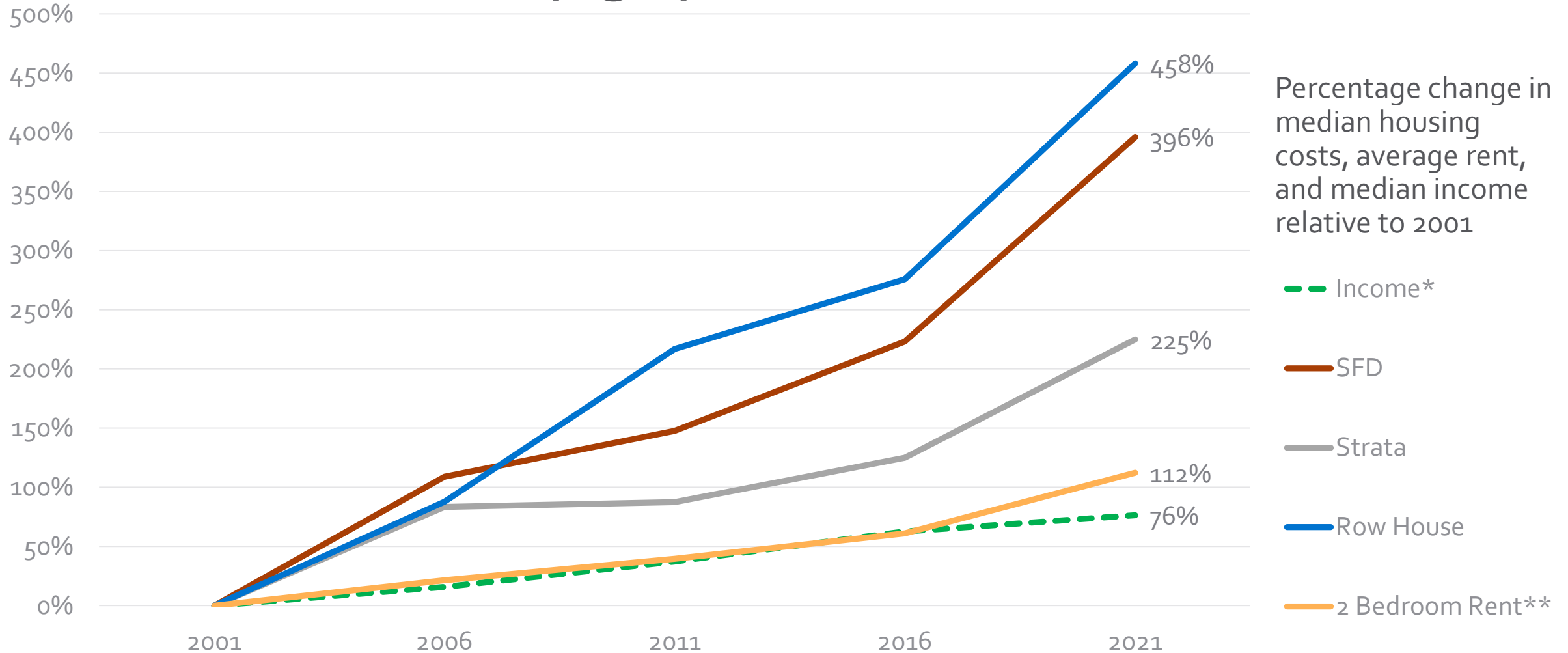
Global NEWS

World Canada Local Politics Money Health Entertainment

MONEY

Cheap money, shortages, investors and crime: The making of Canada's housing crisis

The affordability gap



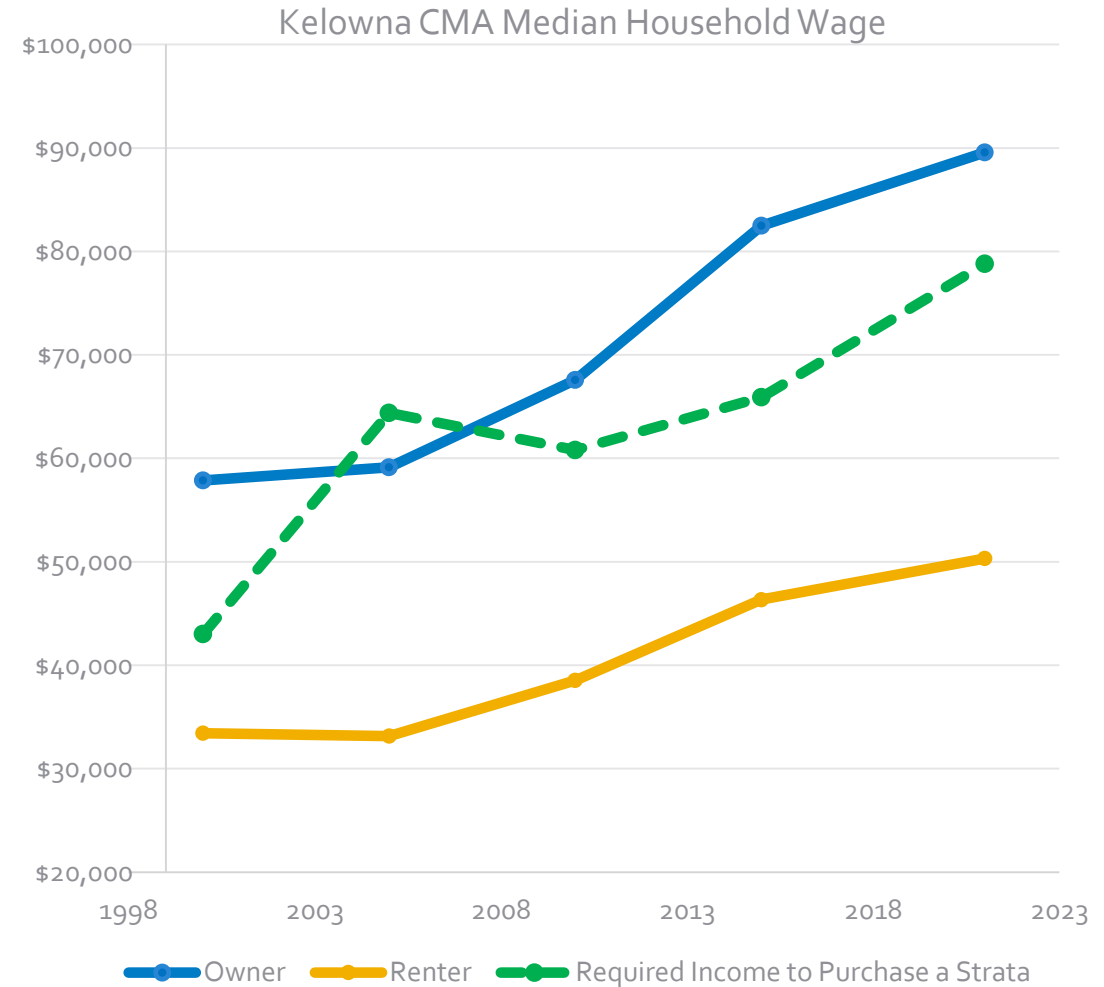
City of Kelowna

* Income estimate provided by Environics Analytics.

** 2-bedroom rent based on 2020 CMHC data for average existing rents paid across Kelowna.

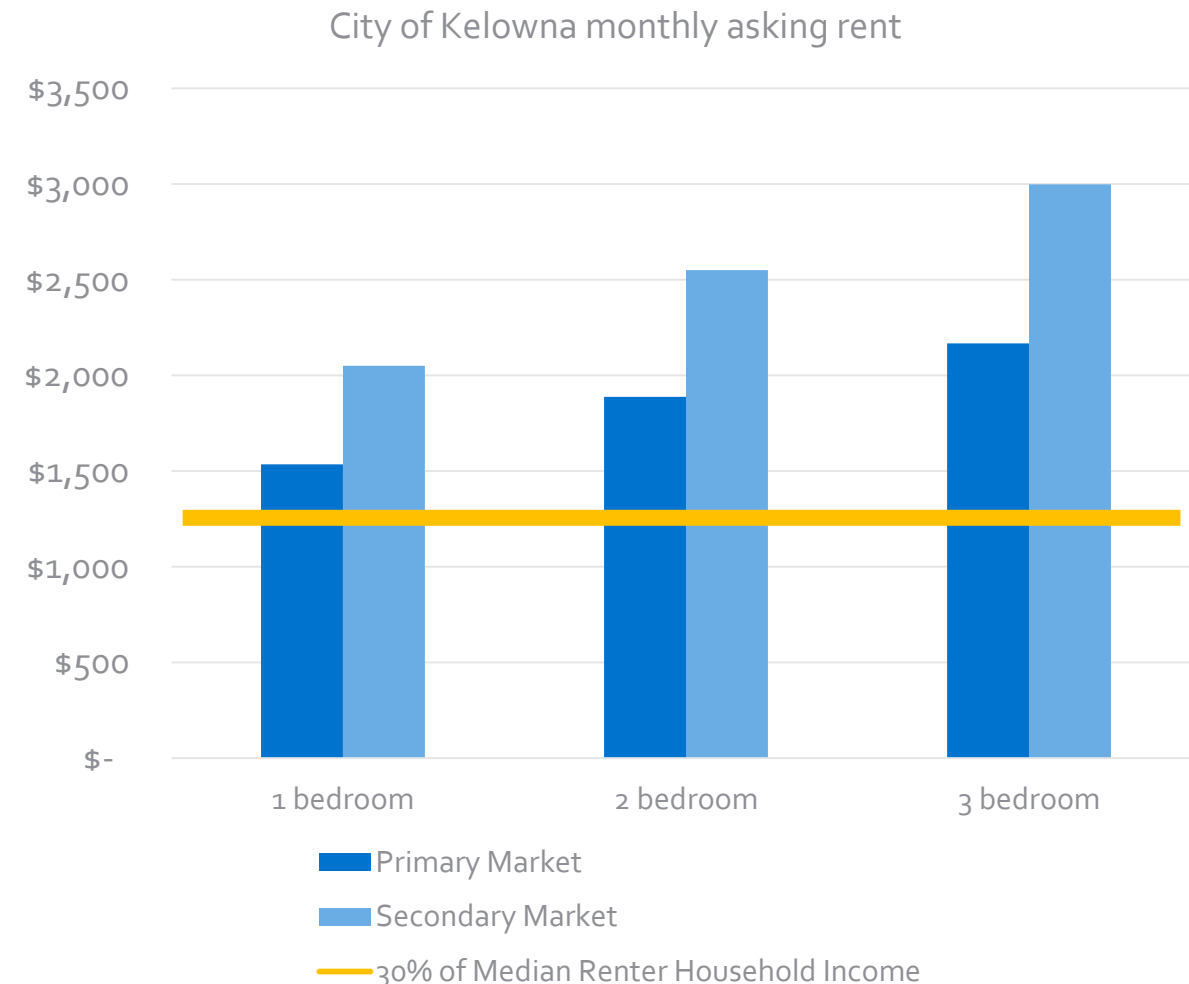
The affordability gap: Renters

- ▶ Renter income lower than owners
- ▶ Approximately 80% cannot afford to purchase a condo



The affordability gap: Renters

- ▶ Renter income lower than owners
- ▶ Approximately 80% cannot afford to purchase a condo
- ▶ Majority cannot afford current market rents
- ▶ Impacts of high rent include:
 - ▶ Reduced mobility
 - ▶ Increased inequality
 - ▶ Homelessness
 - ▶ Lost productivity
 - ▶ Mental health



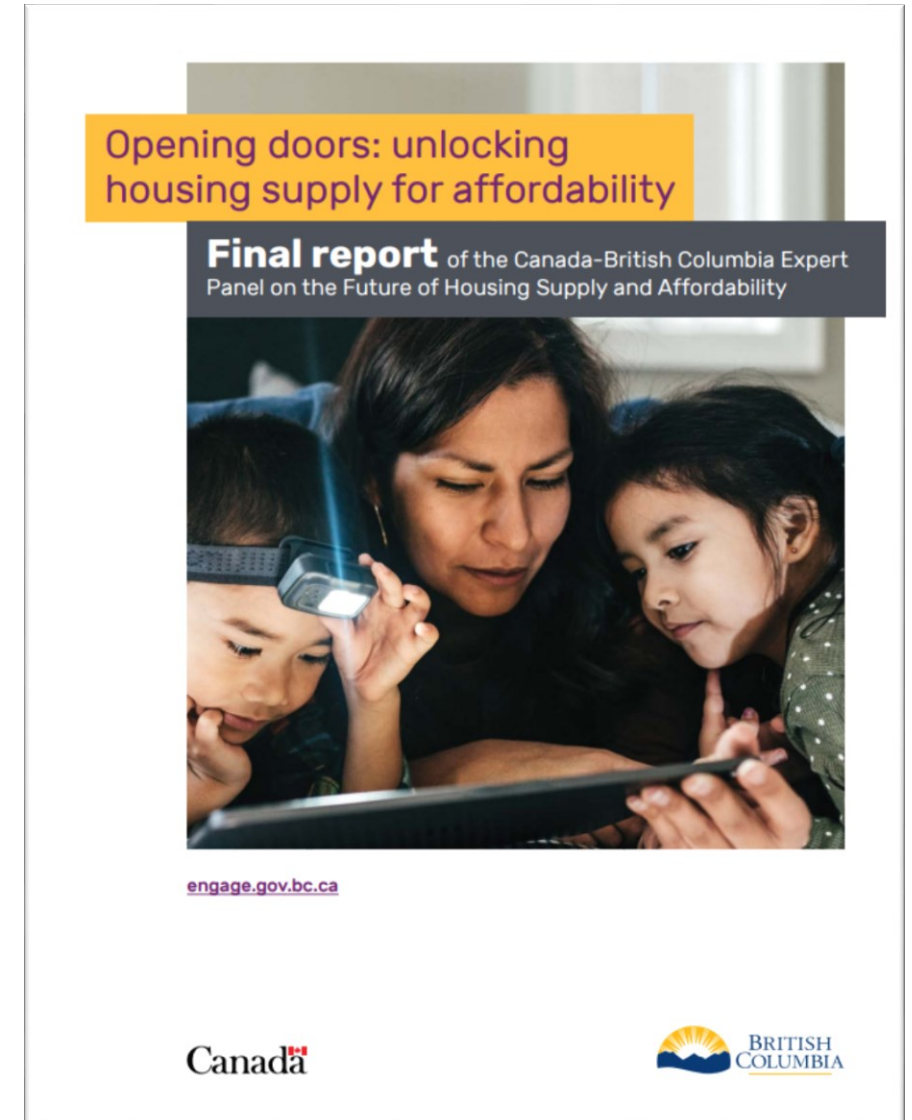
Changing the conversation

- ▶ Framing of issues as can be counterproductive
- ▶ Examples:
 - ▶ Assumptions
 - ▶ Oversimplify
 - ▶ Terminology matters!
 - ▶ “Crisis”
- ▶ Important to pursue a clear, common definition of affordability challenges



Re-Examining Roles

- ▶ Trends within research reinforce the importance of partnerships and collaboration across government and industry
- ▶ Province of BC introducing new ideas
- ▶ Need for a willingness to change
- ▶ Examples suggest building on successes already seen in new ways



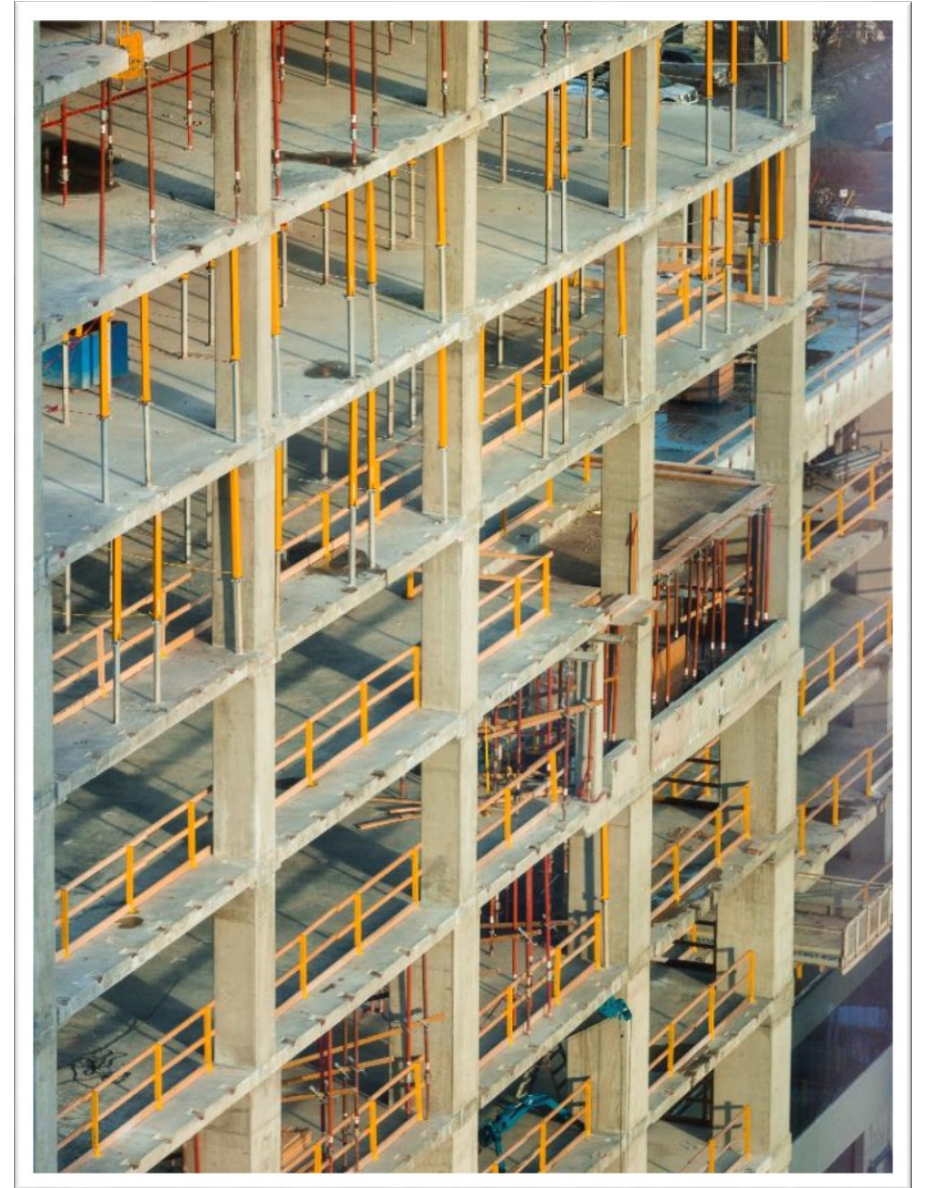
Re-Thinking the System

- ▶ Precedent examples and alternative approaches illustrate possibilities
- ▶ While unconventional, examples use existing abilities
 - ▶ Zoning tools
 - ▶ Land use tenure
- ▶ Examples are within municipal reach



Conclusion

- ▶ Crisis or crossroads?
- ▶ An opportunity to rethink roles and rethink the system
- ▶ The next challenge is providing the right supply at the right price
- ▶ Opportunities presented in upcoming work, including a revised Housing Strategy





Questions?

For more information, visit kelowna.ca.