

COMMUNITY TRENDS 2022

A changing Kelowna: findings from the 2021 census



City of
Kelowna

Kelowna is located on the traditional, ancestral, unceded territory of the syilx/Okanagan people

KELOWNA IN 2001



Kelowna's population is under 100,000 and trends older than BC's median age.



POPULATION: 96,288

CITY OF KELOWNA
MEDIAN AGE

40.6

BRITISH COLUMBIA
MEDIAN AGE

38.4



MOST COMMON
HOUSEHOLD
TYPE: COUPLES
WITH CHILDREN

Kelowna is more homogeneous in terms of places of birth, ethnicity, language, and religion.

4.6%

community members identify as part of a visible minority group

2.3%

community members identify as Indigenous - First Nation, Métis, Inuit

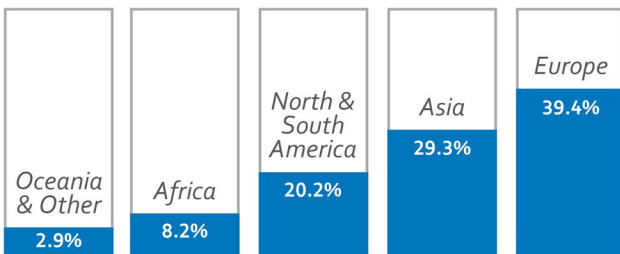
69% RELIGIOUS

31% NOT RELIGIOUS



Kelowna's housing is more affordable, has more single detached homes, and less rental units.

12,995
rental dwellings



RECENT IMMIGRANTS BY PLACE OF BIRTH



Kelowna's top sectors include sales, service, business, finance, and trades.



1 SALES AND SERVICE



2 BUSINESS, FINANCIAL, ADMINISTRATIVE



3 TRADES, TRANSPORT, EQUIPMENT OPERATORS

TOP SECTORS BY NUMBER OF EMPLOYEES

AVERAGE MONTHLY SHELTER COST PER HOUSEHOLD



AVERAGE DWELLING VALUE: \$188,173

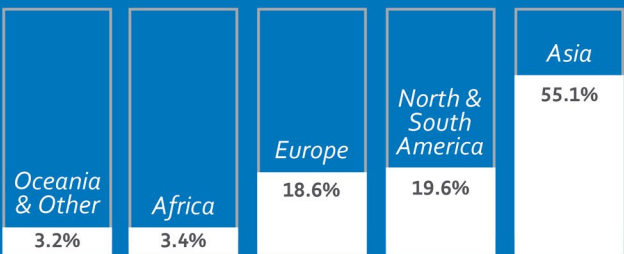
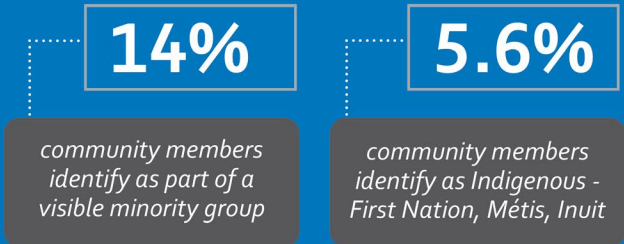
S KELOWNA IN 2021

Kelowna's population is growing fast and it's younger than BC's median age. >>>

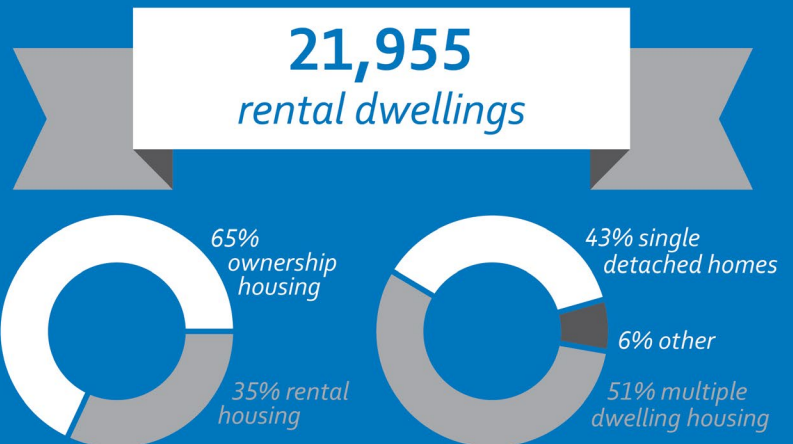
POPULATION: 144,576



Kelowna is more diverse in terms of places of birth, ethnicity, language, and religion.



Kelowna's housing is less affordable, has more multiple dwelling housing, and more rental units.



RECENT IMMIGRANTS BY PLACE OF BIRTH

Kelowna's top sectors include sales, service, business, finance, and trades.



MEDIAN MONTHLY SHELTER COST PER HOUSEHOLD



AVERAGE DWELLING VALUE: \$796,000

TOP SECTORS BY NUMBER OF EMPLOYEES

INTRODUCTION & PURPOSE

Each year the Community Trends Report explores themes that have far reaching roots and local impacts. The purpose of the annual Community Trends Report is to explore ideas, generate discussion, and consider a range of ways that the City could respond to emerging and pressing topics. The Community Trends Report does not make recommendations and does not establish preferred policy directions, but rather provides context about complex topics and their potential impacts on Kelowna. Previous reports have looked at topics such as new mobility technologies, the sharing economy, climate change, the infrastructure debt, housing, and pandemic impacts.

This year's Community Trends Report takes a slightly different approach, exploring some of the ways that our City has changed over the past 20 years. Looking to the past shows us how much Kelowna has evolved in a relatively short period of time. It also gives us a glimpse into how our community might continue to change in the future. Additionally, the 2022 Community Trends Report provides commentary on how these changes impact and are impacted by activities that are currently underway in Kelowna.

The 2022 Community Trends Report explores change in Kelowna primarily through census data¹. Specifically, data from Statistics Canada's most recent census of population, conducted in 2021, is examined and compared to census data from the past 20 years. Through this analysis, five themes have emerged:

1. *Kelowna's population is growing fast and it's getting younger.*
2. *The Indigenous population in Kelowna is growing even faster.*
3. *Immigration is driving population growth and increasing population diversity.*
4. *The types of jobs that Kelowna residents are working is changing, and incomes are going up – but not equally.*
5. *Kelowna is seeing smaller households, more renters, and more multiple dwelling units.*





1 KELOWNA'S POPULATION IS GROWING FAST AND IT'S GETTING YOUNGER.

What's going on?

Kelowna is a desirable place to live. The City offers many amenities and variety of lifestyle, education, and employment opportunities. Kelowna is also undeniably scenic and has a moderate four-season climate. Combined, these attributes contribute to a rapidly growing city, which has consistently grown faster than the province and similar sized cities over the past 20 years. More recently, between 2016 to 2021, Kelowna's population growth rate accelerated, and the population increased by 13.5 per cent compared to 7.6 per cent in BC and 5.2 per cent in Canada. Kelowna is now one of the fastest growing cities in the country, outpacing other fast-growing cities like Surrey (Figures 1-2).

Figure 1 – Population, Kelowna, 2001 to 2021

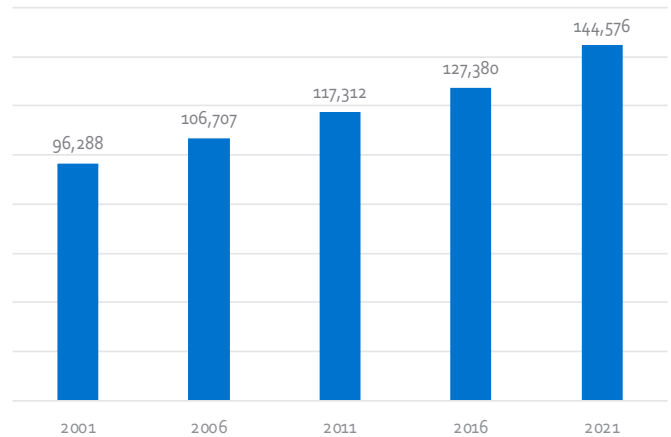
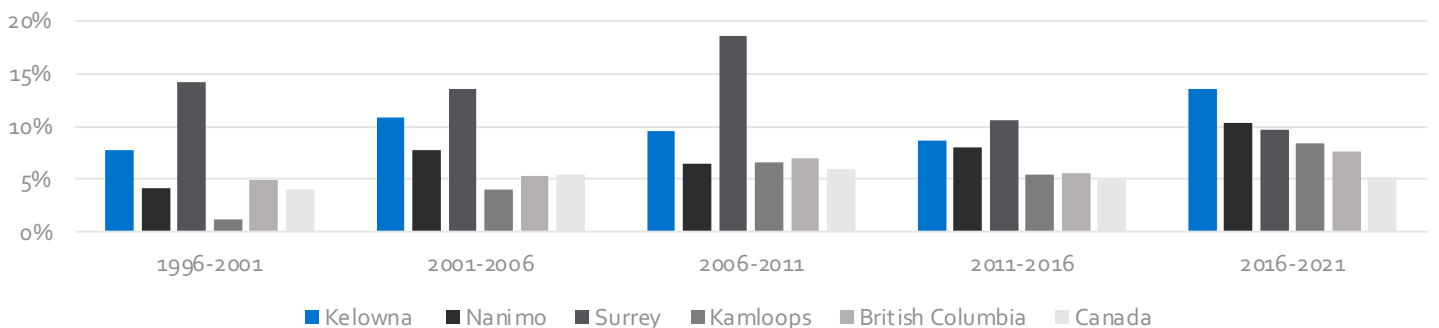


Figure 2 – Comparison of population change (%), 1996 to 2021



Kelowna's population is not simply growing – it's also shifting significantly, particularly when it comes to age. Kelowna has historically been thought of as a retirement destination and looking back more than 25 years had a higher median age than the province. Current trends, however, show that Kelowna is getting younger. Changes began in 2006, when the rise in Kelowna's median age began to slow. Then in 2021, for the first time in more than 25 years, Kelowna's median age (42.4) was lower than the provincial median age (42.8) (Figure 3).

The decrease in Kelowna's median age seen from 2016 to 2021 was driven largely by an increase of approximately 9,000 people aged 20 – 44 (Figure 4). While the number of Kelowna residents aged 65+ continues to grow, the larger group of people aged 20 – 44 is outpacing the other age cohorts. An increase in migrants – people moving to Kelowna from other areas of Canada and from other countries – aged 20 – 34 and a reduction in migrants aged 35 – 54 has also contributed to the recent drop in Kelowna's median age (Figure 5). As Kelowna's population growth is driven predominantly by people moving to the City – rather than by births – shifts in migration patterns have a large impact on Kelowna's overall age composition.

Age groups are distributed differently across various parts of Kelowna. Downtown, Rutland, and the area around UBC Okanagan are younger than the rest of Kelowna (Figure 6). Families with younger children are more represented in areas outside of the Urban Core including Glenmore, the Upper Mission, and Southeast Kelowna. Residents 65+ are more represented in segments of the Urban Core – particularly in the Midtown Urban Centre – and in Southeast Kelowna.

Figure 3 – Median age (years), 1996 to 2021

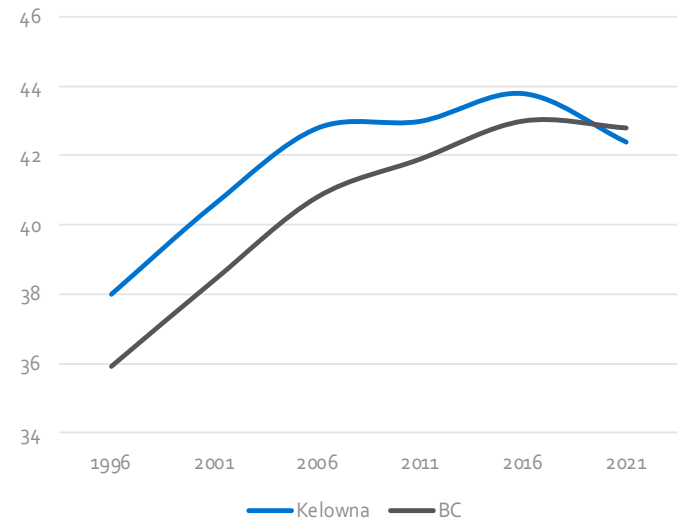


Figure 4 – Population by age group, Kelowna, 2001 to 2021

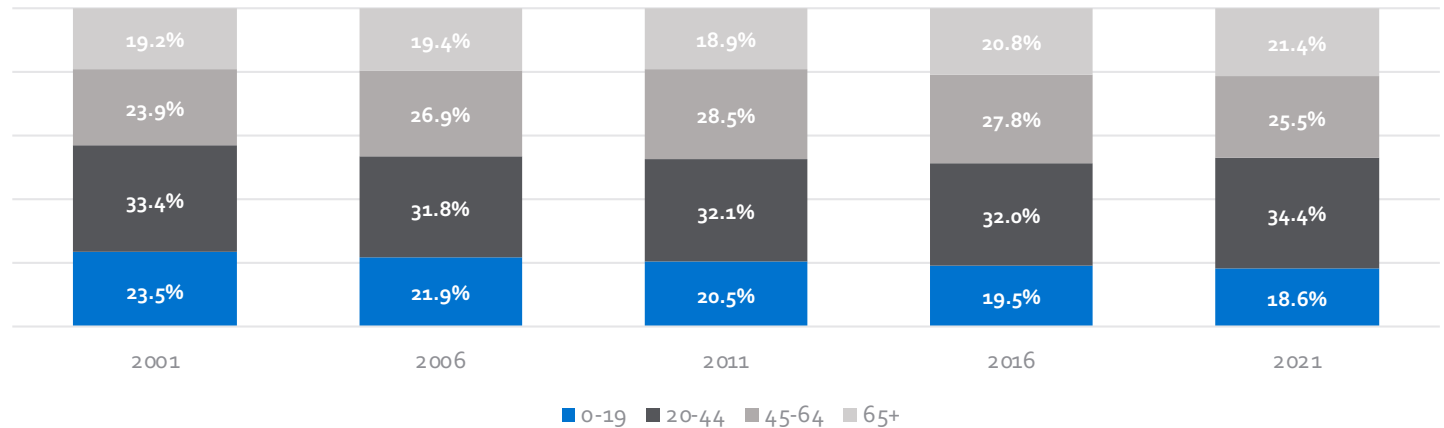
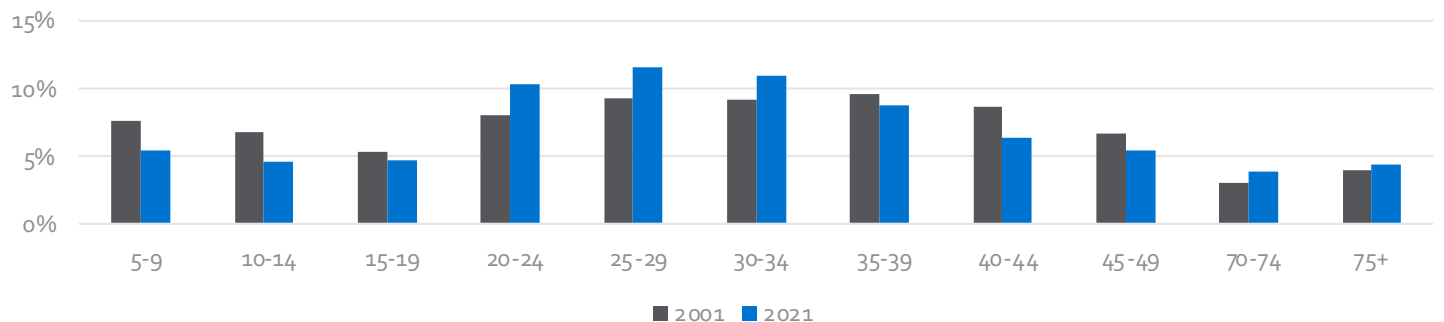


Figure 5 – Migrants to Kelowna (CMA) by age, 2001 and 2021

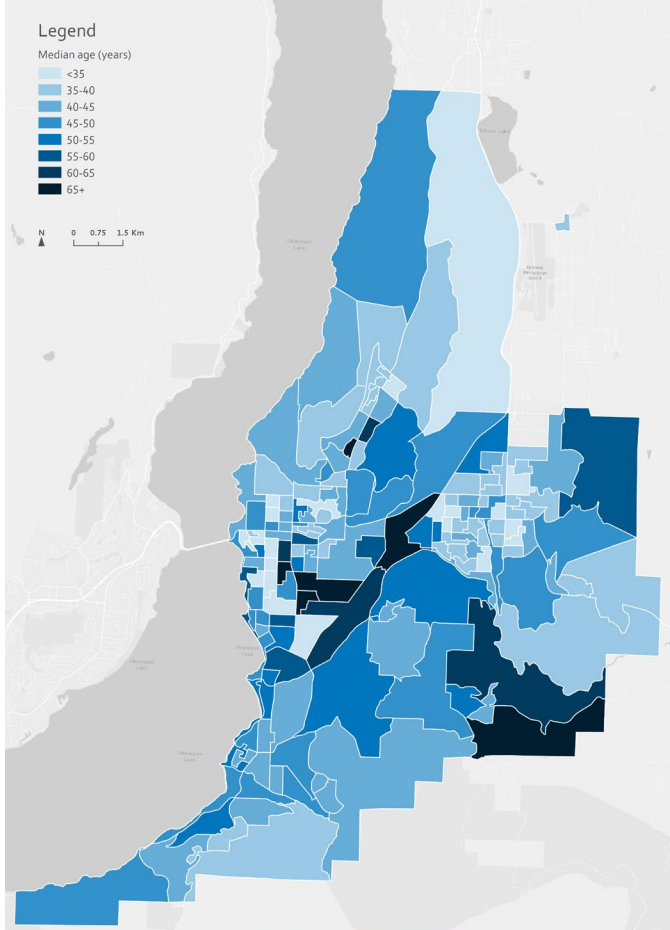


What does this mean?

Rapidly increasing the number of people in a community can make planning for and accommodating change more complex – there is higher demand for services and housing, more potential impact on natural areas, and need for additional infrastructure of all types. In Kelowna, we are seeing an increased demand for housing which is affecting affordability and vacancy rates. Additionally, as population density increases and new buildings are developed, the look and feel of our community is changing. Growth brings demand for new amenities, transportation options, and recreational opportunities but also introduces exciting new businesses, additional workers, and new influences on cultural activities and events.

Kelowna's land base is limited, requiring us to accommodate a growing population by building upwards rather than outwards. This can be a win-win: urban sprawl is unsustainable and has expensive infrastructure demands. If we focus on building housing and amenities close together in Kelowna's Core Area and Urban Centres, as outlined in the 2040 Official Community Plan, we are more likely to see neighbourhoods that can provide daily services for residents of all ages, such as daycares, grocery stores, pharmacies, restaurants, and recreational facilities. Additionally, denser communities are more accessible by public transit, walking, and cycling, and make investments in those modes more cost-effective.

Figure 6 – Median age, Kelowna, by dissemination area, 2021



What do we need to consider for the future?

As Kelowna continues to grow and change, city building and planning efforts must consider the needs of the current and future community. This includes continuing to think about where people are going to live, what kinds of homes they will live in, where they will work and recreate, and how they will get around.

The number of residents in all age groups is increasing as Kelowna grows, and our community must continue to adapt to meet the needs of people of all ages. Consistently, the largest proportion of Kelowna residents is adults aged 20–44. This age group includes residents such as post-secondary students branching out on their own for the first time, new professionals seeking meaningful careers, and growing families looking for suitable and attainable housing. This age group may also be seeking a variety of recreational and cultural activities suited for younger adults and families with children.

The segment of the population aged 65 and over also continues to grow. Whereas the proportion of other age groups has changed inconsistently, the number of people aged 65 and over has increased slowly but steadily, representing 19.2 per cent of the population in 2001, and 21.4 per cent of the population in 2021 (Figure 4). Despite the community overall getting younger, planning for older adults including considerations for age-friendly housing stock, health supports, accessibility, and seniors-friendly recreational activities will remain important. To effectively align community planning with fast population growth, ongoing monitoring of the OCP and its implementation actions will continue to be important.

KELOWNA'S POPULATION IS NOT SIMPLY GROWING – IT'S ALSO SHIFTING SIGNIFICANTLY.

2 THE INDIGENOUS POPULATION IN KELOWNA IS GROWING EVEN FASTER.

syilx/Okanagan Territory

Kelowna is located on the traditional, ancestral, unceded territory of the syilx/Okanagan people. The syilx/Okanagan people have lived in this area since time immemorial. Today, there are more than 15,000 people of syilx/Okanagan heritage located across 69,000 square kilometers of traditional territory in BC and Washington State.

Nsyilxcən is the traditional language spoken by the syilx/Okanagan people⁵. The nsyilxcən language is endangered, and revitalization efforts are taking place by organizations such as the Syilx Language House. The use of nsyilxcən names is prominent throughout the Okanagan and the broader territory. For example, 'Okanagan' is an anglicized version of the term 'suqnaqinx' which refers to the tops of the mountains or hillsides. 'Kelowna' originates from the syilx word for grizzly bear⁶.

What's going on?

2021 census data reports that 5.6 per cent of the population in the City of Kelowna – almost 8,000 people – identify as Indigenous (Figure 7). Since 2001, this has increased from 2,000 people. Over 20 years, this represents a 269 per cent growth in the Indigenous population in Kelowna, compared to 50 per cent growth of Kelowna's overall population. Nationally and provincially, the Indigenous population is also growing; however, the Indigenous population in Kelowna is growing faster (Figure 8). Of those who identify as Indigenous in Kelowna, 53 per cent identify as Métis, 43 per cent as First Nations, and 4 per cent as other Indigenous.

Population growth of the Indigenous population in Kelowna was strong between 2001 and 2016 and slowed for the 2016 – 2021 census period. Reasons for this are not yet clear. That said, Statistics Canada projects that the Indigenous population within Canada will continue to grow at a rate faster than the overall population, increasing by up to 75 per cent over the next two decades. The proportion of Indigenous people living in cities is also steadily increasing, meaning that the Indigenous population in Kelowna is likely to continue growing at a higher rate than the overall population.

The Indigenous population across Canada is, on average, 8.2 years younger than the overall population. Within Kelowna this holds true: the average age of the Indigenous population

Figure 7 – Percentage of total population that identifies as Indigenous, 2021

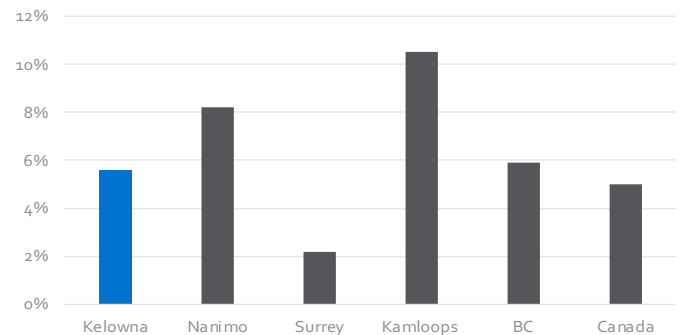
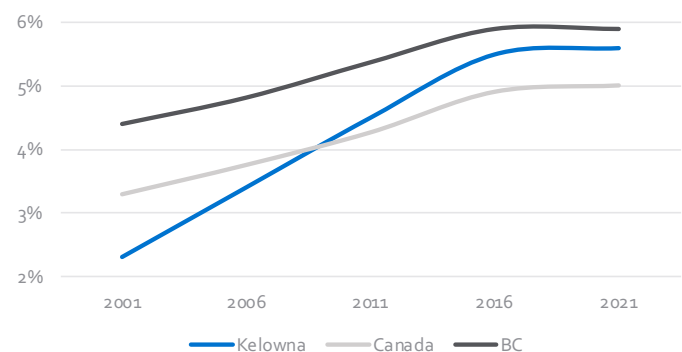


Figure 8 – Population identifying as Indigenous (%), Kelowna, 2001 to 2021



is 32.1 years compared to 43.4 years for the non-Indigenous population. Additionally, 24.4 per cent of the Indigenous population in Kelowna is under 14 years old, compared to 13.2 per cent of the in non-Indigenous population (Figure 9).

What does this mean?

The significant increase in the size of the reported Indigenous population in the 2021 census can mainly be attributed to two factors. The first is called 'response mobility', which refers to people responding differently to questions about Indigenous identity than they did in the past. In general, there is an increased willingness to self-identify as Indigenous now compared to past censuses. This could be related to personal reflection on census questions, social factors, or other reasons. The second factor contributing to the rise in the number of people identifying as Indigenous is natural growth.

Based on census data, we know that the local Indigenous population is younger and growing faster than the overall population. More work is necessary to understand the specific needs of the local Indigenous community in terms of housing, cultural facilities, health supports, and other services – examples could include access to space and

accommodations for cultural practices such as sacred fires. Determining these needs must happen through collaboration with Indigenous organizations, including governments, non-profit organizations, and other service providers. Exciting collaboration efforts are already underway in our region – for example, UBC Okanagan is offering Canada’s first bachelor’s degree in Indigenous language fluency in through the Bachelor of Nsyilxcən Language Fluency program².

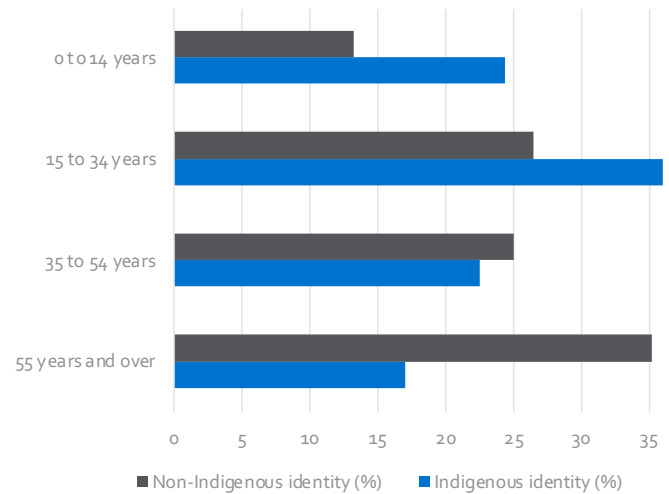
What do we need to consider for the future?

Indigenous peoples, communities, cultures, and languages have existed since time immemorial on the land that we now know as Kelowna, the Okanagan, and Canada. The unjust treatment of Indigenous peoples occurred throughout Canadian history, and challenges continue today. While we can’t change the past, we can acknowledge the harm done and work to create a better future for all citizens, including local Indigenous people. In the words of Statistics Canada: “The colonial history of Canada profoundly impacted Indigenous peoples, methods of governance, languages, and cultures. However, through the efforts and resilience of Indigenous people and their communities, important steps have been taken toward reconciliation and the rebuilding of ties to the unique cultures and languages of First Nations people, Métis and Inuit”³.

It is not the place of the Community Trends Report to detail what reconciliation looks like in Kelowna. However, it is appropriate to state that much work remains to be done, locally and across the country. Nationally, reconciliation work is guided by the 94 calls to action issued by the Truth & Reconciliation Commission in 2015. More than a dozen of these calls relate in some way to municipalities. At the provincial level, the Government of British Columbia has passed legislation that confirms the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as the framework for reconciliation in BC⁴. Kelowna’s 2040 Official Community Plan provides some guidance on how to approach reconciliation, including:

- Incorporating equity into planning work, including time and space for inclusive engagement;
- Applying an Indigenous lens to implementation of OCP actions; and
- Encouraging Indigenous partnerships.

Figure 9 – Age of Indigenous residents vs. non-Indigenous residents (%), Kelowna, 2021



Terminology Updates

Statistics Canada collects data on Indigenous identity through the census. Prior to conducting the 2021 census, Statistics Canada undertook consultation with Indigenous peoples, communities, organizations, and governments. Through this consultation, it was established that “Aboriginal” is no longer the preferred collective term when referring to First Nations people, Métis and Inuit. If a collective term is used, “Indigenous” is more appropriate, and this is reflected in 2021 census. In addition, it is preferable to use the most specific term possible – the 2021 census asks respondents to identify if they are First Nations, Métis or Inuk (Inuit)⁷.

3 IMMIGRATION IS DRIVING POPULATION GROWTH AND INCREASING POPULATION DIVERSITY.

What's going on?

As indicated in Section 1, Kelowna's population is not just growing – it's also shifting in new way due in large part to immigration. Attracting new immigrants is a key federal priority and is the largest contributor to population growth in Canada. Between 2016 and 2021, over 1.3 million newcomers immigrated to Canada, accounting for 72 per cent of national population growth. Federal targets for immigration numbers are increasing, meaning we will likely see more immigration to Canada in the coming years.

In the past, Kelowna's population growth has been driven largely by people moving here from other areas of Canada, but population growth from international immigration has been increasing, and this trend is expected to continue. Currently, 22,000 people living in Kelowna immigrated to Canada at some point in time. This accounts for approximately 15 per cent of the City's total population, which is well below the overall provincial and national population (29 per cent and 23 per cent respectively). Although the number of immigrants in Kelowna is proportionally lower than provincial and national levels, it is increasing locally at a much faster rate. Between

2001 and 2021 there was a 70 per cent increase in the number of immigrants living in Kelowna (Figure 10).

Between 2016 and 2021, over 20 per cent of Kelowna's population growth was from people who have immigrated to Canada. This was a drop from the 2016 census, when immigrants formed more than 25 per cent of population growth. The drop is likely due to reduced mobility in 2020 and 2021 associated with the COVID-19 pandemic. Looking back further to 2001, the overall trend is that immigrants are forming an increasingly larger proportion of Kelowna's population growth with each census period (Figure 11).

Non-permanent residents are people who come to Kelowna on a temporary basis, such as temporary foreign workers, those with study permits, and refugees. The number of non-permanent residents in Kelowna nearly doubled between 2011 and 2016 and more than doubled again between 2016 and 2021. In total, there were close to 4,000 non-permanent residents in Kelowna in 2021 (Figure 12).

Figure 10 – Percentage increase in total immigrant population, 2001 - 2021

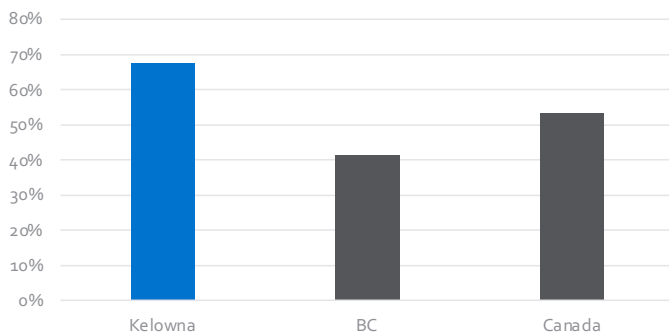


Figure 11 – Population growth associated with immigrants, Kelowna, 2001-2021

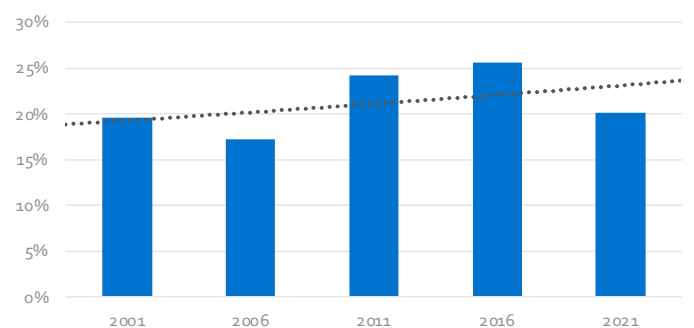


Figure 12 – Number of non-permanent residents, Kelowna, 2001 to 2021

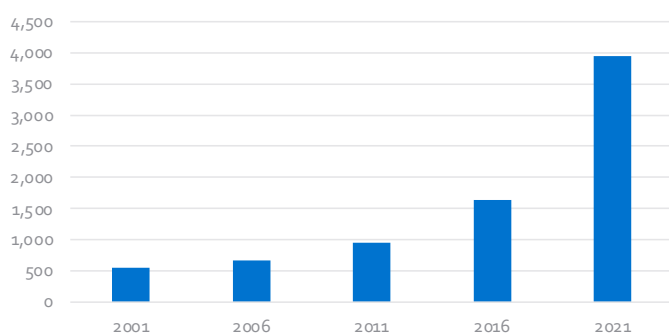
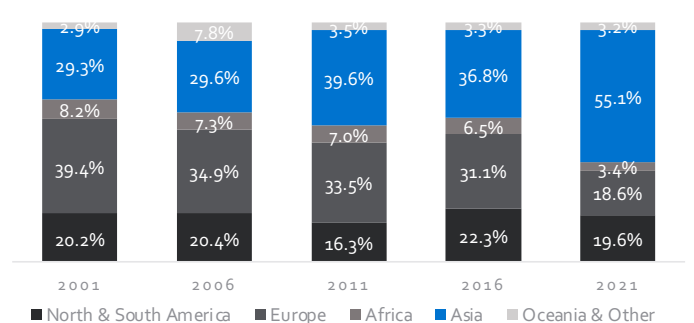


Figure 13 – Recent immigrants by place of birth, Kelowna, 2021



What does this mean?

The increasing number of immigrants and non-permanent residents living in Kelowna indicates that the City is attracting a broader diversity of newcomers over time. Census data shows that while Kelowna’s population remains less diverse than larger urban areas in BC, it is becoming less homogeneous in terms of places of birth, ethnicity, language, and religion. Regarding place of birth, the proportion of immigrants living in Kelowna who are originally from countries in Asia has grown significantly over the past 20 years, particularly since 2016, in line with provincial and national trends. The most common places of birth for immigrants that moved to Kelowna between 2016 – 2021 were India (14.2 per cent), the Philippines (13.7 per cent), and the United Kingdom (6.9 per cent) (Figure 13).

The proportion of Kelowna residents who identify as members of a visible minority group has also shifted, increasing from 4.6 per cent in 2001 to 14.0 per cent in 2021. While the overall proportion of Kelowna residents who identify as members of a visible minority group is lower than BC and Vancouver, the growth of the visible minority population is increasing much faster in Kelowna (Figures 14-15).

There have also been shifts in languages spoken at home in Kelowna over the past 20 years. English was still reported to be the most spoken language at home, decreasing from 94.5 per cent in 2006 to 91.7 per cent in 2021. Punjabi was the second most common language spoken most at home (1.6 per cent) followed by Tagalog (Filipino, 0.5 per cent) and Mandarin (0.5 per cent). This has shifted from 2006 when German and Punjabi were tied for the second and third most common languages spoken at home (at 0.8 per cent). Non-official languages have become more commonly spoken as primary languages at home, increasing from 4.1 per cent in 2006 to 6.1 per cent in 2001 (Figure 16) – this is below provincial and federal averages (17.1 per cent and 12.7 per cent respectively).

Religious affiliation has also changed significantly in Kelowna over the past 20 years. Community members without a religious affiliation increased from 31.1 per cent in 2001 to 53.8 per cent in 2021. Trends seen in Kelowna align with the rest of Canada – the proportion of population with no religious affiliation has more than doubled nationally in the past 20 years⁸.

Figure 14 – Percentage of population that identifies as visible minority, 2021

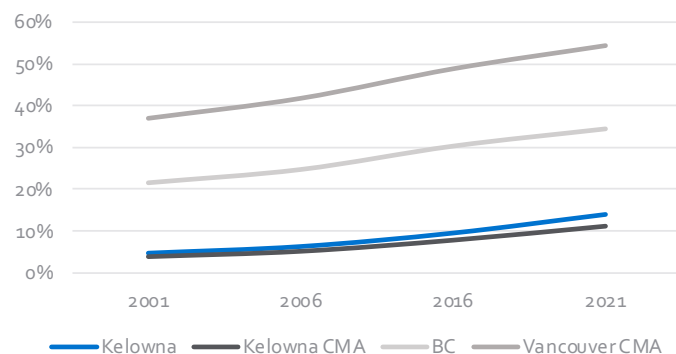
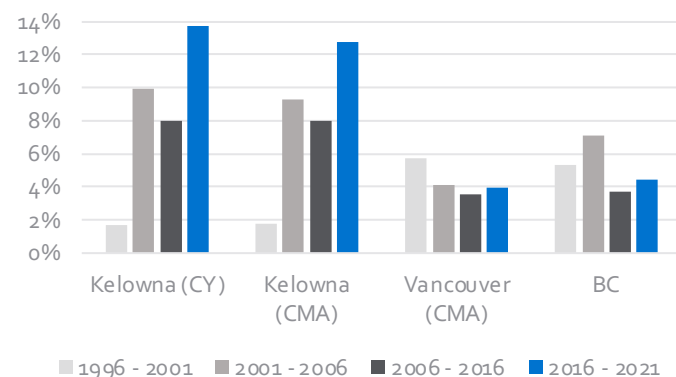


Figure 15 – Growth rate of visible minority population, 1996 to 2021



What do we need to consider for the future?

Overall, diversity within Kelowna’s population is increasing faster than it has in the past, and we can expect this to continue. A more diverse population means that Kelowna residents may seek new or different types of amenities such as shops, services, cultural spaces, activities, food options, and housing types. Considering disaggregated data on different groups of people living within Kelowna can help support more equitable decision making. For example, census data shows that immigrants who moved to Kelowna between 2016 and 2021 were more likely to settle in downtown Kelowna, as well as in Rutland, and a higher number of immigrants also settle near UBC Okanagan, potentially reflecting the international student population (Figure 17).

An increasingly diverse population, with increasingly diverse interests, means that it’s more important than ever to ensure that everyone is represented in city building activities. Some groups of people – specifically, equity-seeking groups – have historically been less represented than others. As we plan for the future, considerations to ensure we’re meeting the needs of all community members could include:

- Providing extra time for engagement and embracing culturally sensitive engagement processes that accommodate multiple languages;
- Collecting new and additional data to understand changing community patterns;
- Anticipating and embracing growing culturally and ethnically diverse communities;
- Embedding an equity lens in City processes such as neighbourhood planning and development approvals;
- Spreading awareness about changes we can expect to see in Kelowna to reflect the diverse needs of a less homogeneous population; and
- Participating in ongoing education on diversity and inclusion.

Figure 16 – Language spoken most often at home, Kelowna, 2006 to 2021

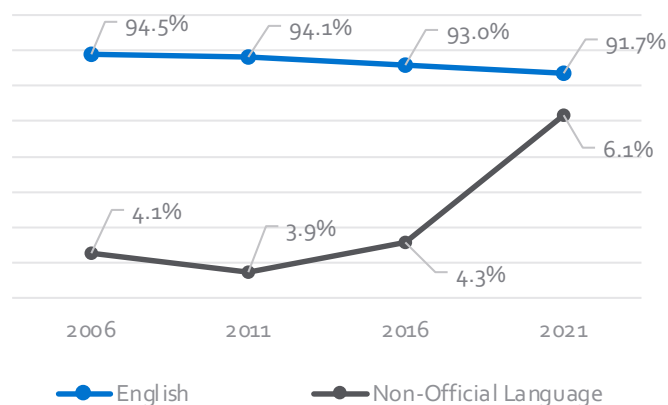
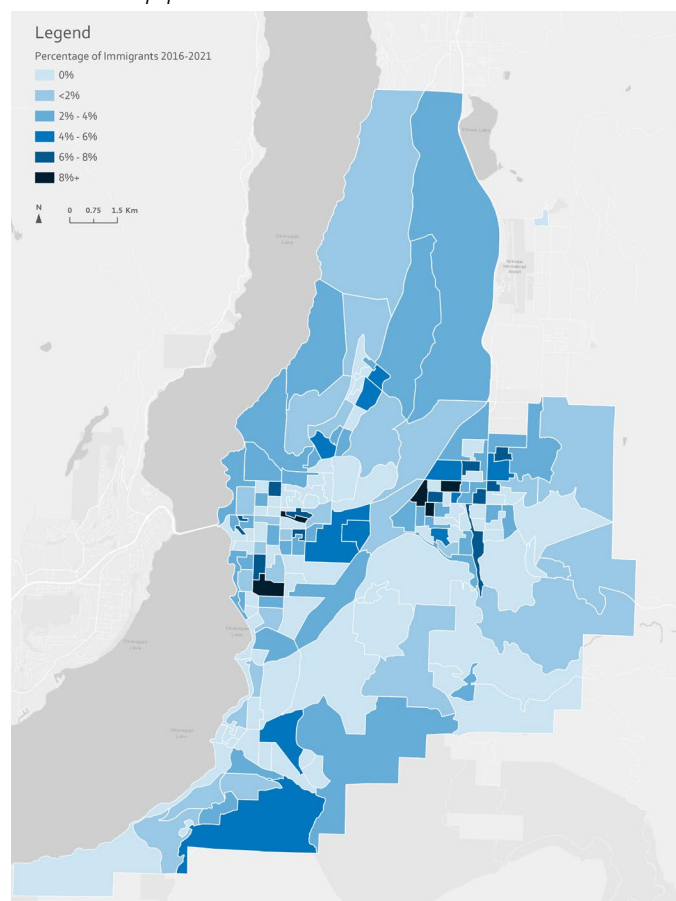


Figure 17 – Percentage of recent immigrants, admitted between 2016 and 2021, within the total population



4 THE TYPES OF JOBS THAT KELOWNA RESIDENTS ARE WORKING IS CHANGING, AND INCOMES ARE GOING UP – BUT NOT EQUALLY.

What's going on?

Kelowna used to be smaller and more rural, and jobs tended to focus in key areas including agriculture, agricultural processing, and manufacturing. Over the past 20 years, however, we've seen increasing diversity in Kelowna's workforce and more people working in sales, service, business, tourism, and health care industries. While a diversified job market means exciting opportunities for Kelowna residents, it hasn't inherently meant that incomes are keeping up with cost of living or that everyone is seeing increased incomes equally.

Kelowna's labour force – the number of people who are employed – is growing more than the City's overall population. In 2001, just under 50 per cent (47,920 people) of Kelowna's residents were in the labour force, and this increased to approximately 55 per cent (79,950 people) in 2021 (Figure 18). Kelowna's proportion of residents in the labour force is higher than the Canadian share of 52 per cent, suggesting that Kelowna, while still an attractive destination for vacationers and retirees, is undoubtedly a city where more and more people are coming to work (Figure 19).

As Kelowna's workforce has grown, it has also become more diverse in terms of types of occupations. Fields such as education, community services, health services, and natural applied sciences have grown significantly more than the labour force as whole (Figure 20). However, sales and service jobs remain the most prevalent occupation type in the City,

Figure 18 – Labour force and population growth, Kelowna, 2001 to 2021

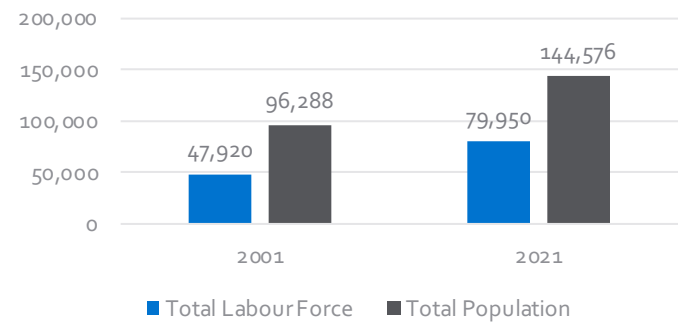


Figure 19 – Labour force as share of total population

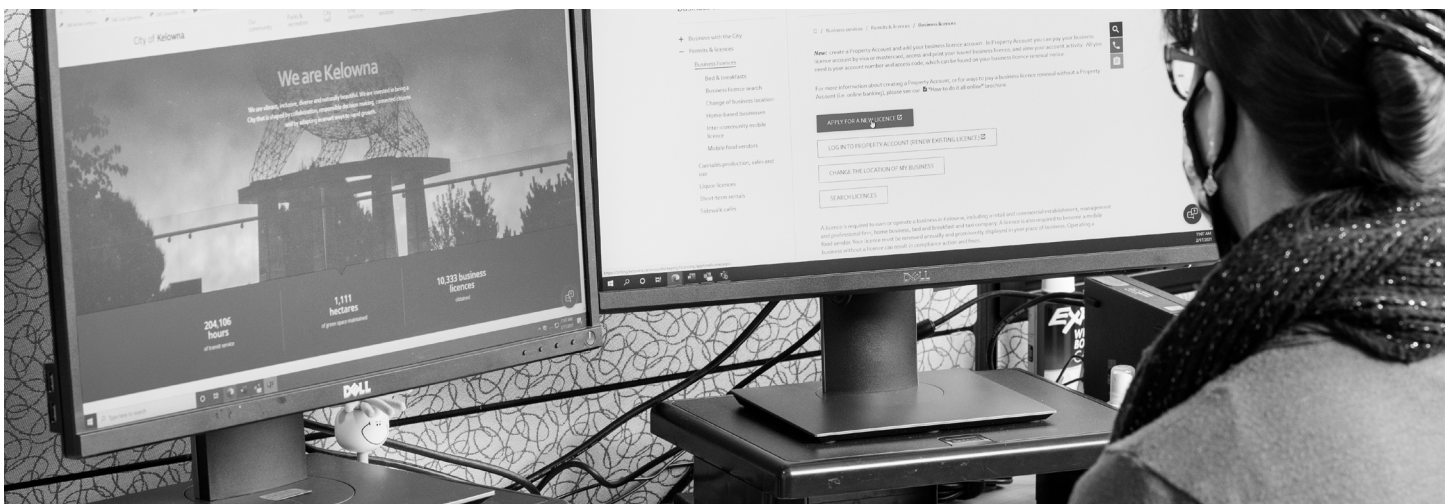
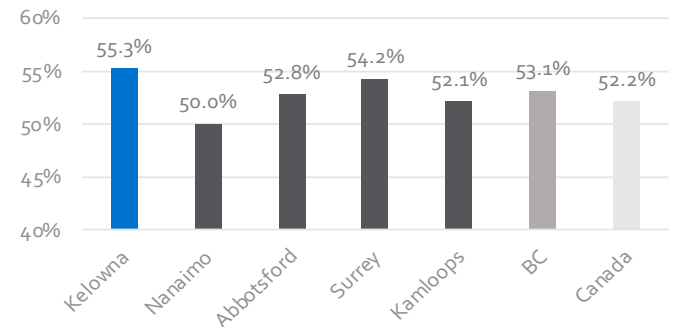
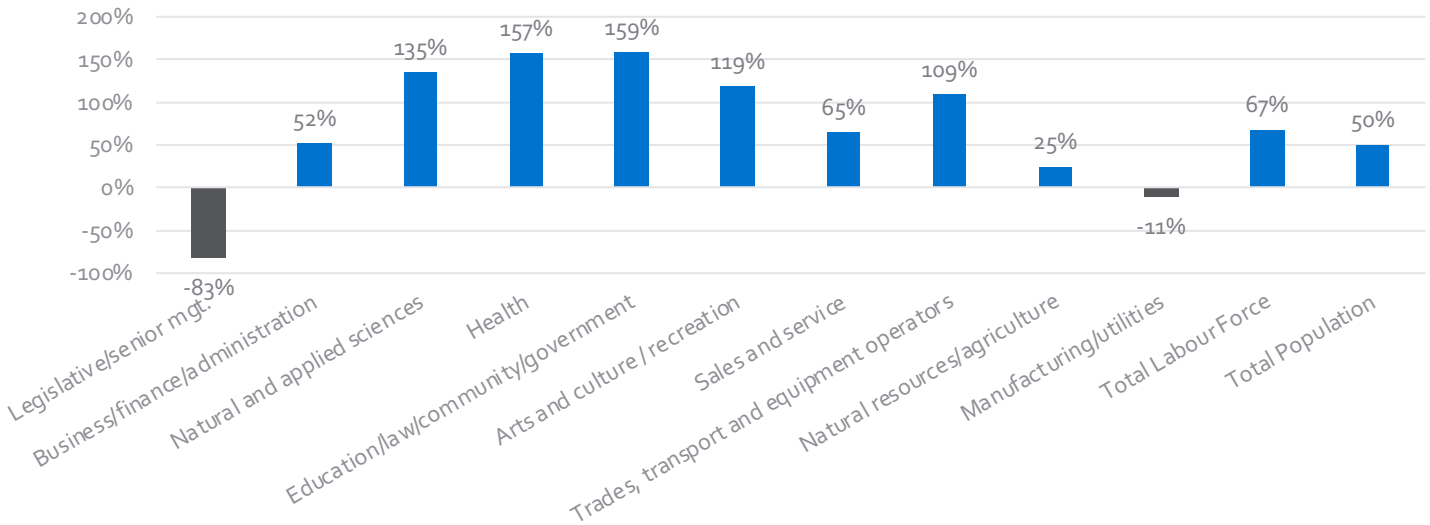


Figure 20 – Growth in occupation types and labour force, Kelowna, 2001 to 2021



greater in proportion than the Canadian average, despite growing at a slightly lower amount than Kelowna’s overall labour force. Growth in the agricultural and natural resource sectors has been limited, and manufacturing and utilities jobs have declined overall (Figure 21).

The 2021 census reveals additional trends in Kelowna’s employment landscape. Despite Kelowna’s strong labour force, Kelowna’s median income remains lower than BC’s median (Figure 22). Census data also shows a gender wage gap in Kelowna, with more women than men considered to be low income (7,795 vs. 6,500, Figure 23). Moreover, the median wage for women in Kelowna in 2020 was \$34,400 compared to \$42,400 – 23.3 per cent higher – for men. While the gender wage gap is still evident in Kelowna, it does appear to be reducing over time – in 2000, average earnings were 40.3 per cent higher for men than for women. Additionally, COVID-19 has impacted Kelowna’s workforce, particularly with more people working from home: 8.8 per cent of Kelowna’s workforce worked from home in 2016 compared to 20.2 per cent in 2021.

Figure 21 – Employees by occupation, Kelowna, 2001 and 2021

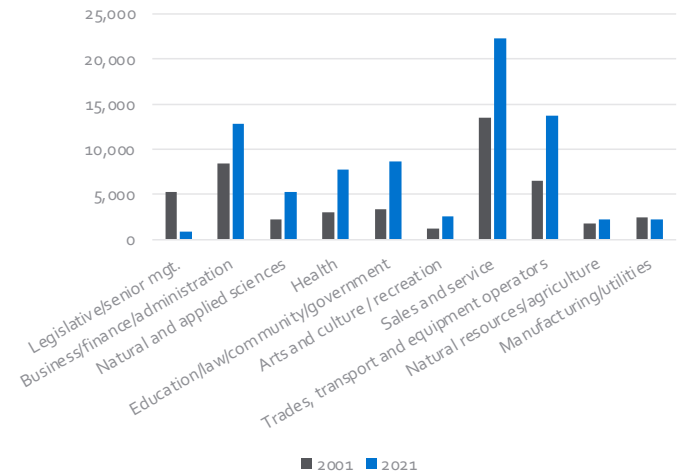
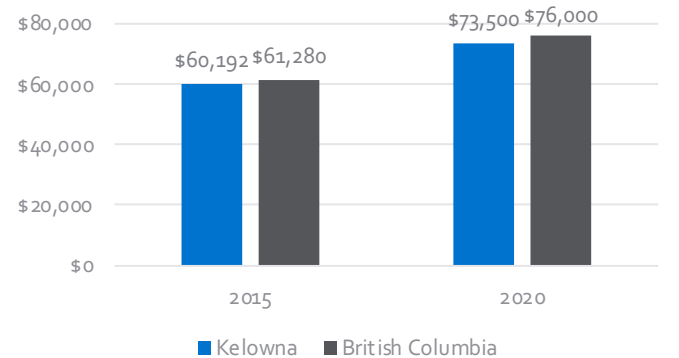


Figure 22 – Median after-tax household income



What does this mean?

The changing employment landscape in Kelowna has impacts on land use and residents. For example, new trends in industrial work impact how land is used in the City. While more traditional forms of industrial work – such as manufacturing requiring heavy machinery – have declined, employment in trades and transport has increased substantially as has employment in natural and applied sciences. These sectors often use industrial lands in new ways, such as for warehousing and research facilities.

Land for a variety of employment uses is needed and will continue to be needed across Kelowna. This is especially prevalent for Kelowna’s rapidly growth health sector, which is primarily focused in the City’s Core Area, and particularly

at Kelowna General Hospital. We have also seen growth in jobs in law, community services and government, which are also mainly concentrated in the Urban Centres and Core Area. There are some additional distinct employment hubs in Kelowna, both inside and outside of the Core Area, that are expected to continue to attract workers over time. This includes schools in Suburban and Rural neighbourhoods, as well as the major employment centres of UBC Okanagan, Okanagan College, and Kelowna International Airport.

Compared to the rest of Canada, Kelowna is overrepresented in sales and services jobs. Sales and service jobs tend to be lower paying than other fields, meaning that many residents are likely experiencing affordability challenges.

Figure 23 – Number of individuals considered low income, Kelowna, 2020

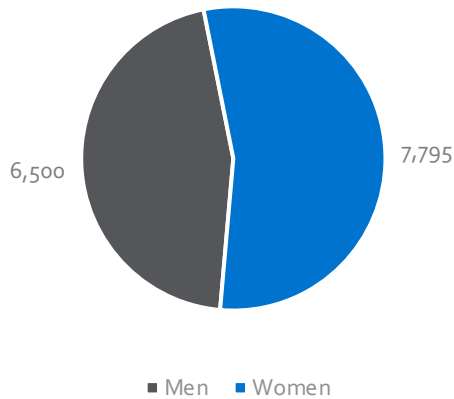
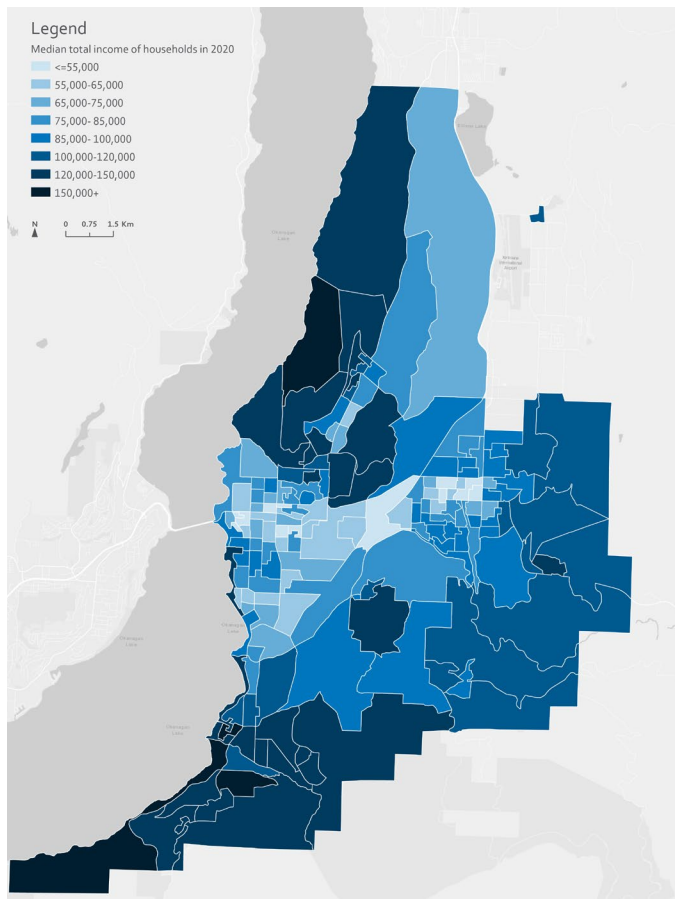


Figure 24 – Median income, Kelowna, by dissemination area, 2021



What do we need to consider for the future?

Trends in employment, jobs, and incomes are influenced by factors ranging from global to local, many of which are beyond the City's influence. That said, the City has a role to play in monitoring employment and income trends and responding in terms of policy, planning, and partnership efforts where possible. Census data tells us, for example, that incomes are not the same across the City, with lower income households more common in the Core Area and higher income households more common north and south of the Core Area in neighbourhoods including Glenmore and the Upper Mission (Figure 24). We can respond to this disparity by considering different needs that different neighbourhoods might have – such as considering income in different areas of the City when planning transit improvements that enable access to employment centres.

Additional actions that the City can consider related to employment, jobs, and incomes include:

- Setting strategies and targets to support employment in Urban Centres and other neighbourhood plan areas
- Linking affordable housing to job growth and community services
- Supporting employment centres that are accessible by modes of transportation other than cars
- Monitoring data related to income disparities, particularly related to equity-seeking groups
- Protecting industrial, service commercial, and other needed employment lands through land use designation and other regulations
- Continuing to engage and partner with post-secondary institutions and other larger employers
- Monitoring the evolution of work from home impacts

5 KELOWNA IS SEEING SMALLER HOUSEHOLDS, MORE RENTERS, AND MORE MULTIPLE DWELLING UNITS.

What's going on?

Over the past 20 years, Kelowna's housing system has changed, and overall demand for housing has increased. Various factors shape Kelowna's housing system including shifting demographics, changing household composition, shifting preferences in terms of dwelling type and tenure, and housing cost. Housing affordability has decreased in Kelowna over the past 20 years, with costs for both rental and ownership housing increasing much faster than incomes.

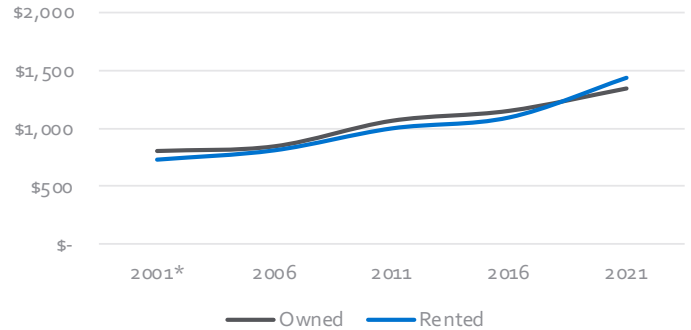
Home values have increased significantly in Kelowna from 2001 to 2021, as have rental rates (Figure 25). Home prices have risen steadily, and more quickly between 2016 and 2021 than any other period in the last 20 years. In 2001, the average dwelling value was \$188,173, compared to \$796,000 in 2021 (Figure 26). The 2021 census also recorded higher median monthly shelter costs for renters than for homeowners for the first time since 2001. Renters tend to be disproportionately affected by housing affordability challenges – in 2021, renters made up 66 per cent of households in core housing need despite only making up 35 per cent of total households⁹.

In terms of household composition, there has been a shift towards smaller households over the past 20 years. For the first time since 2001, the 2021 census recorded that the most common household type in Kelowna is one-person households, making up 30.8 per cent of all households in Kelowna (Figure 27). The proportion of Kelowna households consisting of couple households – married or common law – decreased from 55.6 per cent in 2001 to 48.0 per cent in 2021. Additionally, the proportion of Kelowna households consisting of couples with children has decreased from 23.2 per cent in 2001 to 19.7 per cent in 2021.

Between 2001 and 2021, Kelowna also saw changes in dwelling preferences both in terms of tenure (rental vs. homeownership) and dwelling type (single dwelling homes vs. apartments, for example). The number of both rental and ownership dwellings has increased over the past 20 years, and ownership housing still makes up most of the housing in Kelowna (Figure 28). That said, demand for rental housing has increased, and there are now 21,955 rental dwellings in Kelowna compared to 12,995 rental dwellings in 2001. As such, the proportion of renters has shifted from 32.5 per cent in 2001 to 35.3 per cent in 2021.

In terms of the types of dwellings in Kelowna, multiple dwelling housing – including apartments, row houses, and duplexes – now makes up more of Kelowna's housing stock than single

Figure 25 – Median monthly shelter costs, Kelowna, 2001 to 2021



*2001 is average not median

Figure 26 – Average dwelling value, Kelowna, 2001 to 2021

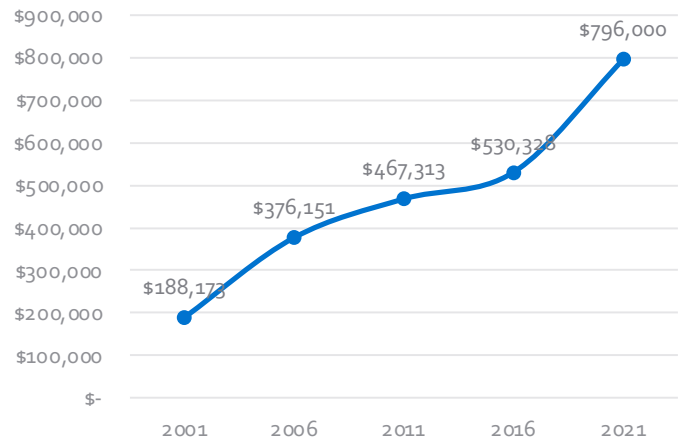


Figure 27 – Household characteristics, % of total, Kelowna, 2001 to 2021

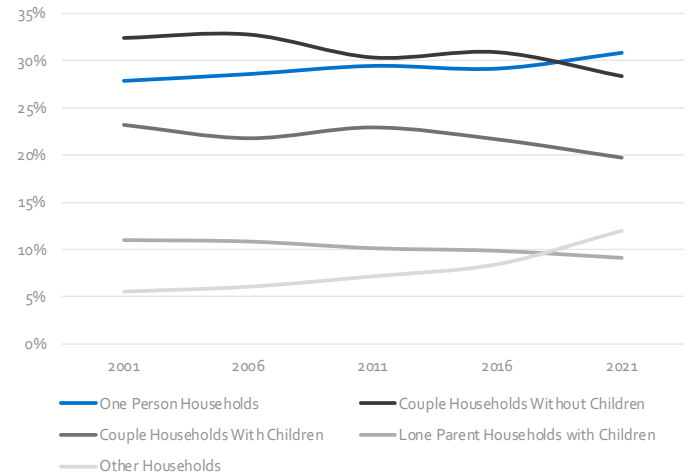


Figure 28 – Number of owned and rented dwellings, Kelowna, 2001 to 2021

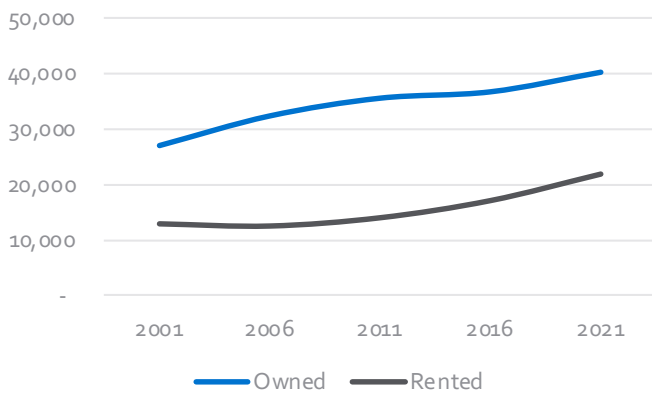


Figure 29 – Dwelling types, Kelowna, 2001 to 2021

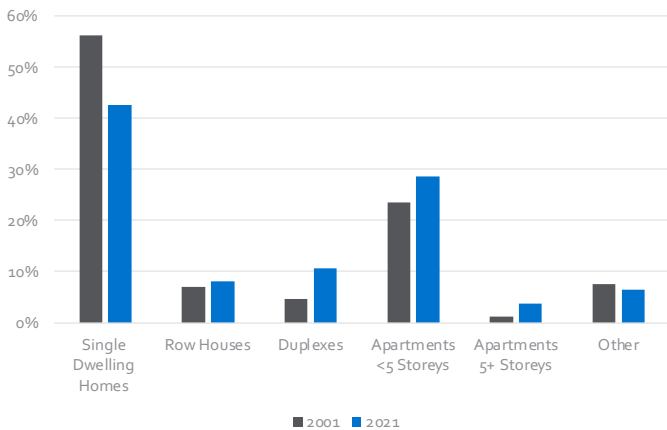
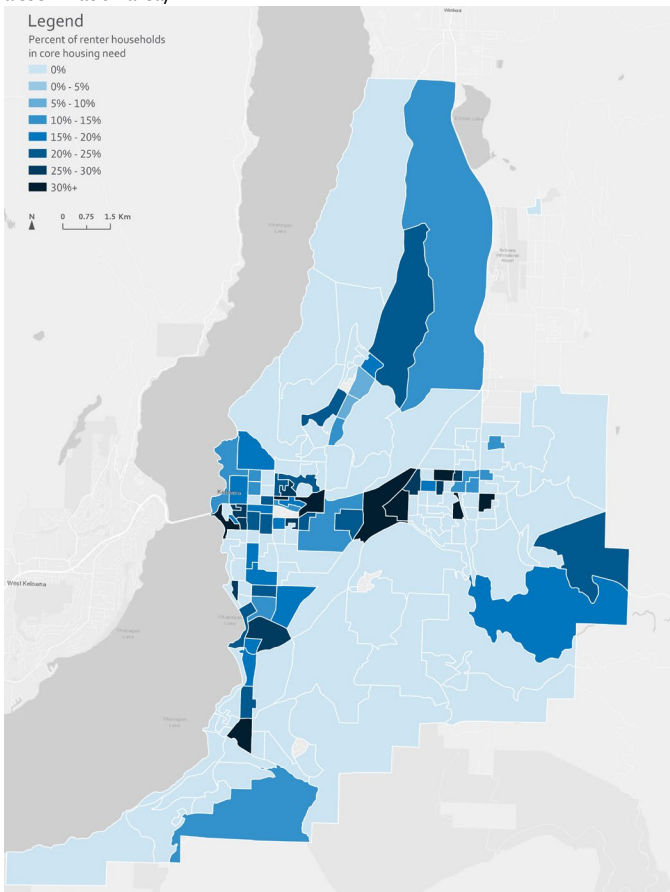


Figure 30 – % of rental households in core housing need, Kelowna, by dissemination area, 2021



dwelling housing (Figure 29). This trend towards more multi-family housing was first evident in the 2016 Census and the trend continued and accelerated in 2021.

What does this mean?

There have been distinct shifts in housing patterns in Kelowna over the past 20 years. There has been an increase in the quantity and variety of housing, including a shift towards more dense infill and multi-family housing, especially in the City’s Core Area and Urban Centres. Additionally, purpose built rental housing is being developed in quantities significantly higher than it was 20 years ago. These shifts reflect the types of housing and locations that residents want to live in, as well as what they are more likely to be able to afford.

Geographically, homeownership is more common in neighbourhoods oriented towards single detached homes including Glenmore, Upper Mission, and Southeast Kelowna. Apartments and rental housing are much more common in Kelowna’s Core Area and Urban Centres, in keeping with the OCP’s targets of 75% multi-unit housing and 25% single and two unit housing. As mentioned, renters are more likely to be in core housing need, and these residents are more likely to live in the Core Area and Urban Centres but are also represented in North Glenmore as well as some parts of East Kelowna and the Mission (Figure 30).

What do we need to consider for the future?

Kelowna is likely to continue attracting new residents. Population growth means an increased demand for housing, and if housing supply doesn’t keep up, housing affordability challenges will persist. Market solutions to increase the supply of more attainable housing will likely mean continued development of smaller units, infill housing, and multi-family buildings. The proportion of renters in Kelowna is also likely to continue increasing as residents face ongoing barriers to homeownership and more interest in renting long-term.

As more residents are housed in smaller, central, multi-family dwellings, community needs and demand for amenities are likely to shift. For example, people living in apartments are less likely to have private yards, and therefore may be more likely to benefit from public recreation spaces and parks. Access to public space may be particularly relevant for the large 20- to 44-year-old portion of Kelowna’s population as they seek new recreation areas and facilities suitable for young adults and growing families with younger children.

All levels of government, as well as private industry and non-profit organizations, can provide ongoing support for a housing system that better aligns with the needs of residents, particularly in high-demand, expensive cities like Kelowna. If affordability remains a challenge and market housing cannot fully meet the demand for housing in our community, we could see wide ranging impacts, including increased demand for subsidized housing and more instances of homelessness. The City must continue to monitor Kelowna’s housing system as a whole through initiatives such as an updated Housing Needs Assessment and Housing Strategy.

CONCLUSION

The past twenty years have demonstrated how much our City can change in a relatively short period of time. This change can tell us what directions the City may take in the future, but it can also be a reminder that relying too much on the past can prevent us from charting a path forward, especially when change is accelerating. This era of unpredictability requires an approach to managing growth that is both aware of and responsive to that change while still being rooted in the values of guiding documents like *Imagine Kelowna*. As we continue to implement our major plans like the OCP, more attention than ever will be needed on monitoring progress toward our vision to ensure that our implementation actions respond to those changes.

Our rapid population growth may or may not continue in the future. It may become more modest, and it may accelerate. We are becoming more diverse, we are getting younger, and our life choices are changing. Climate change will have unknown impacts on how quickly we grow in the future, influenced by conditions locally and elsewhere. Our rapidly growing Indigenous population means that addressing Truth and Reconciliation is more important than ever. As this change continues, we'll need to think of different ways to engage with our residents. It also means that developing an Equity Strategy to guide future work will form a core part of this path forward.

Our housing and neighbourhood preferences are also changing. As the City densifies, the public realm is playing a larger role in our residents' quality of life. Our Parks Master Plan and upcoming Urban Centre Plans will need to identify how our parks and public spaces can offer those quality of life improvements as well as how we will fund these improvements. Concurrently, the current Housing Needs Assessment will lay the foundation for further insight and action to get the right mix of housing to meet the needs of existing and future residents.

While Kelowna may have a reputation as being a major retirement and recreational destination, a look at the past twenty years tells us that Kelowna is firmly rooted as a city where people come to work, not just play. This is driving outsized interest in office space, industrial land and ways to get to those places from home, while the work from home trend post-pandemic will need to be carefully observed. To ensure that Kelowna remains positioned to continue delivering jobs and the means to get to them, we will explore ways to advance more employment lands and housing choices as we develop our Urban Centre Plans.

What will Kelowna look like in the next twenty years? We can be certain that it will look very different from the Kelowna today, and in some cases, in ways that were not expected. This is why we need to be ready to respond to the changes that are coming, be nimble in our approach, but still committed to the values that will make the Kelowna a city for all, and one that is resilient to a rapidly shifting system around it.

A LOOK AT THE PAST TWENTY YEARS TELLS US THAT KELOWNA IS FIRMLY ROOTED AS A CITY WHERE PEOPLE COME TO WORK, NOT JUST PLAY.

Endnotes

- 1 Data used in the 2022 Community Trends Report is from the Statistics Canada Census of Population and refers to the City of Kelowna unless otherwise stated. In 2011, census data was collected through a voluntary survey rather than a mandatory long form census, which affected the reliability and consistency of the 2011 results. In some cases the 2011 results are omitted.
- 2 University of British Columbia. (2021). [UBC Okanagan to offer Canada's first bachelor's degree of Indigenous language fluency.](#)
- 3 Statistics Canada. (2022). [Indigenous population continues to grow and is much younger than the non-Indigenous population, although the pace of growth has slowed](#)
- 4 Government of British Columbia. (2019). [Declaration on the Rights of Indigenous Peoples Act.](#)
- 5 Okanagan Nation Alliance. (2017). [nsyilxcən Language.](#)
- 6 Okanagan Indian Band. (2023). [Our History.](#)
- 7 Statistics Canada. (2020). [2021 Census Fact Sheets Updated content for the 2021 Census of Population: Indigenous peoples.](#)
- 8 Statistics Canada. (2022). [The Canadian census: A rich portrait of the country's religious and ethnocultural diversity.](#)
- 9 Core housing need refers to whether a private household's housing falls below at least one of the indicator thresholds for housing adequacy, affordability or suitability, and would have to spend 30 per cent or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (attains all three housing indicator thresholds).

