

Report to Council



Date: May 27, 2024
To: Council
From: City Manager
Subject: 2024 Q1 Planning & Development Statistics
Department: Planning, Climate Sustainability, and Development Services

Recommendation:

That Council receives, for information, the report from the Planning, Climate Action and Development Services department dated May 27, 2024, with information relating to Planning and Development Statistics for the first quarter of 2024.

Purpose:

To update Council on building and development Statistics for the first quarter of 2024.

Background:

To keep Council current with local development and construction trends, the Divisional Director of Planning, Climate Sustainability, and Development Services will 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 development and housing goals in the Official Community Plan (“OCP”).

Discussion:

Planning and Building Application Intake Statistics – 2024

City teams involved in the planning and development process had a busy winter working on the implementation of housing legislation changes adopted by the provincial government. During this time, Planning Department staff continued to process development application volumes that have remained steady in the first quarter of 2024 (against the 10-year average). Both the type and location of housing projects under construction are consistent with OCP goals of placing the bulk of new density in the City’s Core/Urban area in a multi-family format.

2024 Q1 building permit volumes are slightly less than 2023; worth noting that is that the value of these permits had decreased substantially high of \$420,000,000 /quarter to \$209,000,000/quarter.

Housing Accelerator Fund (Government of Canada)

As identified in the Report to Council on November 27, 2023, the City of Kelowna was successful in receiving \$31.5M under the federal Housing Accelerator Fund. The City identified seven HAF Initiatives as listed below:

1. Implementing the infill housing options program.
2. Adjusting regulations to incentivize private sector housing development.
3. Transit Supportive Corridor Planning.
4. Affordable housing on City-owned land.
5. Establishing new housing partnerships and affordable housing delivery.
6. Investing in infrastructure to unlock housing.
7. Leveraging new technology to improve processing and data management.

All HAF Initiatives are currently underway. In the HAF application, the Initiatives were segmented into 20 milestones; 6 milestones are complete, 10 are in progress, and 4 have not yet begun. In terms of budget, the first allotment of HAF funding (\$7.9M) was provided to the City in late October 2023. As of Q1 2024, the first allotment has been allocated to HAF initiatives. The largest portion of the budget so far has been allocated to land acquisition for affordable housing, and the remainder has been allocated to resourcing (staffing and consulting).

To meet the goals of the Housing Accelerator Fund, the City of Kelowna's target is to permit (Building Permit) 7,430 residential units by 2026. In terms of Building Permit (BP) issuance in Q1 2024, the level of residential units issued BPs is below the level that, on average, would be adequate to achieve the City's HAF targets. BP issuance will be monitored closely. Staff are also currently working to create a Housing Accelerator Fund Dashboard which will more easily allow for tracking and sharing project progress.

Housing Supply Act (Province of BC)

In addition to measuring new housing created for the Housing Accelerator Fund grant, the BC Government has included Kelowna as a community regulated under the provincial Housing Supply Act. Staff will bring forward additional information about what this means for Kelowna when it learns more from the BC Government.

Considerations not applicable to this report:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

External Agency/Public Comments:

Communications Comments:

Submitted by: Ryan Smith, Divisional Director, Planning & Development Services

Approved for inclusion: Doug Gilchrist, City Manager

Schedules: Schedule A – Power Point