

# Report to Council



**Date:** May 27, 2024  
**To:** Council  
**From:** City Manager  
**Subject:** Middle Income Housing Partnership Council Policy  
**Department:** Real Estate

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**Recommendation:**

THAT Council receives, for information, the report from the Real Estate Department dated May 27, 2024, with respect to the Middle Income Housing Partnership Council Policy,

AND THAT Council adopts Council Policy No. 392, being Middle Income Housing Partnership, as outline in the report from the Real Estate Department dated May 27, 2024.

**Purpose:**

To establish a Middle Income Housing Partnership Policy.

**Council Priority Alignment:**

**Affordable Housing**

**Background:**

In advance of the formal launch of the City’s Middle Income Housing Partnership (MIHP) program, staff are bringing forward the MIHP Council Policy that will provide Council a common understanding and strategic direction pertaining to the program.

*Previous Council Resolution*

Resolution	Date
AND FURTHER THAT Council direct staff to proceed with the Middle Income Housing Partnership program as described in the report from the Policy & Planning Department, dated February 5, 2024.	February 05, 2024

**Discussion:**

### MIHP Policy

The MIHP Council Policy (attached as Schedule A) applies to the general operations, partnerships and dispositions for the MIHP program and is designed to ensure the MIHP program achieves the following core objectives:

- **Affordability:** The program aims to enhance housing affordability by ensuring at least 20% of units are priced 20% below average market rents, utilizing city housing incentives, and facilitating access to low-cost financing from government sources.
- **Financial Sustainability:** The program will achieve financial sustainability by permitting up to 80% of units to be leased at full market rents for financial viability, reinvesting project revenues into the program, utilizing financial tools for long-term support, and including maintenance costs in project planning.
- **Unit Mix:** The program ensures that the affordable homes developed under the MIHP constitute a mix of home sizes to meet the diverse needs of middle-income household residents, as outlined in the Housing Needs Assessment.
- **Flexibility:** The MIHP program is designed to be flexible, adapting to various site opportunities, resident needs, tenure options, and partnership models with non-profit and private developers as needed.
- **Scale:** The program is structured to scale up affordable housing by regularly acquiring suitable land, assessing existing land for development, and managing operations with minimal city staffing resources.
- **Accountability:** Partnerships under the MIHP program are structured to meet its goals by requiring operators to submit annual reports demonstrating adherence to program terms and enforcing lease terms to ensure compliance.

### **Conclusion:**

The MIHP Council Policy is a pivotal step towards addressing the affordable housing crisis in Kelowna. By leveraging city-owned properties, the MIHP program is poised to significantly contribute to the creation of more accessible housing options for middle-income families. The policy's emphasis on affordability, financial sustainability, unit mix, flexibility, scale, and accountability ensures a strategic and transparent approach to enhancing Kelowna's housing landscape. With the formal launch of the MIHP program, the City is demonstrating its commitment to innovative solutions and partnerships that will foster a more inclusive and diverse community.

### **Internal Circulation:**

Long Range Policy Planning  
Office of the City Clerk

### **Considerations applicable to this report:**

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**Considerations not applicable to this report:**

*External Agency/Public Comments:*

*Communications Comments:*

*Financial/Budgetary Considerations:*

*Legal/Statutory Authority:*

*Legal/Statutory Procedural Requirements:*

*Existing Policy:*

**Submitted by:** B. Walker, Strategic Land Development Manager

**Approved for inclusion:** J. Säufferer, Real Estate Department Manager

Attachments: Schedule A - Council Policy No. 392 Middle Income Housing Partnership  
Schedule B – PowerPoint Presentation

cc: J. Moore, Infill Housing Planning Manager  
J. Taylor, Policy Analyst  
A. Janousek, HAF Project Manager