

Report to Council



Date: November 25, 2024
To: Council
From: City Manager
Subject: Interim Housing Needs Assessment
Department: Housing Policy & Programs

Recommendation:

THAT Council receives, for information, the report from the Housing Policy and Programs Department, dated November 25, 2024, regarding the Interim Housing Needs Assessment.

Purpose:

To receive the Interim Housing Needs Assessment to fulfill legislative requirements.

Council Priority Alignment:

Affordable Housing

Background:

In September 2023, Council endorsed Kelowna’s Housing Needs Assessment (HNA), aligning with provincial requirements for local governments to address housing challenges. Since the endorsement of the 2023 Housing Needs Assessment, there were changes to the Local Government Act, requiring municipalities and regional districts to complete Interim Housing Needs Reports (HNRs), also referred to as Interim Housing Needs Assessments, by January 1, 2025, using a new standardized HNR Method.

The provincially required HNR method is similar to the method used in Kelowna’s 2023 HNA and produced similar results. Primary differences include the time horizon, with the provincial HNR Method requiring a calculation of total number of housing units needed over 5 and 20 years instead of the 10-year horizon for the 2023 HNA.

The provincial HNR Method consists of six components, which are added together to provide the total number of housing units needed in a municipality or regional district electoral area. Following this interim report, the first regular Housing Needs Reports is required by December 31, 2028, and every five years thereafter.

The Interim Housing Needs Report must include:

- The number of housing units required to meet current and anticipated need for the next 5 and 20 years, as calculated using the HNR Method provided in the Regulation;
- A statement about the need for housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit or other alternative forms of transportation; and,
- A description of the actions taken by the local government, since receiving the most recent Housing Needs Report, to reduce housing needs.

Discussion:

Housing Need

The number of housing units needed in the City of Kelowna from 2021-2041 was calculated using the Housing Needs Report (HNR) Method as per provincial requirements. Overall, the key findings from the Interim Housing Needs Report (see table below) are generally in alignment with the findings from the 2023 HNA.

Table 1: 5-, 10-, and 20-Year HNR Method Housing Need Estimates, City of Kelowna

Component	Detail	5-year	10-Year	20-Year
A	Extreme Core Housing Need	797	1,595	3,190
B	Person Experiencing Homelessness	403	605	807
C	Suppressed Household Formation	275	549	1,099
D	Anticipated Household Growth	11,690	21,504	36,689
E	Rental Vacancy Rate Adjustment	142	284	569
F	Demand Factor	554	1,109	2,218
Total		13,863	25,647	44,571

The full Interim Housing Needs Assessment can be found in Attachment A.

Conclusion:

The Interim Housing Needs Report fulfills Provincial reporting requirements, and its findings are generally consistent with the 2023 Housing Needs Assessment. The Interim Housing Needs Report will also provide up-to-date information for consideration as staff continue to develop the Housing Action Plan and coordinate required OCP updates. Moving forward, the City will conduct regular five-year updates to estimates of housing need, as per provincial methodology. Estimates will help determine how effectively the housing system is responding to community needs over time.

To ensure that Council is aware of progress towards the City's various housing targets (both from the HNA report, provincial and federal) staff will be providing regular updates to Council.

Staff are working to coordinate reporting on housing targets as they relate to our Housing Needs Assessment, the Provincial Housing Supply Act, and the Housing Accelerator Fund. Staff will return to Council in Q1 2025 to report on housing units created in 2024.

Internal Circulation:

Social Development Department
 Real Estate Department
 Partnerships Department
 Development Planning Department
 Communications Department
 Long Range Planning Department

Considerations applicable to this report:

Legal/Statutory Authority and Procedural Requirements:

Local Government Act Part 14 – Planning and Land Use Management, Division 22 – Housing Needs Reports

Existing Policy:

Housing Needs Assessment, 2023
Healthy Housing Strategy, 2018
2040 Official Community Plan Bylaw
Imagine Kelowna

Considerations not applicable to this report:

Financial/Budgetary Considerations:

Consultation and Engagement
Communications Comments

Submitted by: A. Janousek, Project Manager

Approved for inclusion: J. Moore, Housing Policy & Programs Department Manager
 R. Smith, Divisional Director, Planning, Climate Action & Development Services

Attachments:

Attachment A – Interim Housing Needs Assessment