

Report to Council



Date: August 11, 2025
To: Council
From: City Manager
Subject: Annual Provincial Housing Targets Report
Department: Housing Policy & Programs

Recommendation:

THAT Council receives for information the report from the Housing Policy and Programs Department, dated August 11, 2025, regarding the annual Provincial housing targets;

AND THAT Council directs staff to submit a copy of this report to the Provincial Minister of Housing and Municipal Affairs, as described in the report from the Housing Policy and Programs Department, dated August 11, 2025.

Purpose:

To receive the Annual Housing Targets Report.

Council Priority Alignment:

Affordable Housing

Background:

As of May 31, 2023, the B.C. government has the authority to set housing targets in municipalities with the greatest need and highest projected population growth. A total of 30 municipalities have now received housing target orders.

Kelowna received a [housing target order](#) on June 25, 2024. This order establishes a five-year housing target for the City of Kelowna of 8,774 net new completed housing units. This number represents the total number of new homes added to the market after accounting for any lost through demolition or decommission. The City is required to provide five annual progress reports, and one initial interim report. Council must receive each progress report by resolution within 45 days of the end of each reporting period specified by the Province. This report covers the first annual reporting period from July 1, 2024, to June 30, 2025. The annual number of net new housing units is cumulative, meaning each year's total builds on the last towards the overall five-year goal, and will be measured as follows:

Table 1. Housing Targets for Annual Cumulative Housing Units

Reporting Period	Year 1	Year 2	Year 3	Year 4	Year 5
Unit Target (Cumulative)	1,363	2,856	4,545	6,496	8,774

Discussion:

The City exceeded expectations by surpassing both the Year 1 target (1,363) and the Year 2 target (2,856) during the first year of reporting, achieving a net increase of 3,467 units since July 1, 2024 (refer to Table 1). In this table, "completions" are defined as units that were issued an occupancy permit during the reporting period, while "demolitions" denote units for which a building permit was granted for demolition or suite decommissioning. A comprehensive data breakdown is available in Attachment A.

Table 22. Net New Units

	Completions (Reporting Period)	Demolitions (Reporting Period)	Net New Units (Reporting Period)	Net New Units (Since HTO Effective Date)
Total	3620	153	3467	3467

In addition to the mandated target, staff have provided a breakdown of the completed units by size, tenure and affordability as shown in Table 3. These categories offer additional information about the variety of housing options approved by the City based on recommendations from the Ministry of Housing. These are not part of the official housing target order.

Table 33. Units by Size, Tenure and Affordability

Completions (Reporting Period)				
Units by Size				
Studio	687			
One Bedroom	1256			
Two Bedroom	1207			
Three Bedroom	470			
Units by Tenure	Completions (Reporting Period)	Demolitions (Reporting Period)	Net New Units (Reporting Period)	Net New Units (Since HTO Effective Date)
Rental Units – Total	1876	69	1807	1807
Rental – Purpose Built	1671	36	1635	1635
Rental – Secondary Suite	194	33	161	161
Rental – Accessory	11	0	11	11

Dwelling				
Rental – Co-op	0	0	0	0
Owned Units	1744	84	1660	1660
Units by Rental Affordability	Completions (Reporting Period)	Demolitions (Reporting Period)	Net New Units (Reporting Period)	Net New Units (Since HTO Effective Date)
Market	1706	69	1637	1637
Below Market - Total	170	0	170	170
Below Market - Rental Units with On-Site Supports	0	0	0	0

The City has supplied data regarding the number of units that received a Development or Building permit during the annual reporting period, as detailed in Table 3. It is important to clarify that these figures represent only those units approved for a Development or Building Permit within the specified timeframe and do not include all units that have been approved or are currently under construction citywide as some may have been permitted outside of the reporting window. That said, this data offers valuable insight into anticipated completions for forthcoming reporting periods. Based on the units permitted, staff anticipate fewer completions in future reporting periods than in Year 1.

Table 4. Issued Development Permit and Building Permits

	Rezoning	Development Permit	Building Permit	Total
Applications	N/A	20	237	257
New Units	N/A	386	2199	2585

The Interim Housing Targets Progress report that was received by council on February 10, 2025, included Development Applications that had been approved by not issued. Since its release, staff have clarified that these should not be included in reports moving forward as they are subject to certain conditions, such as the requirement for posting a landscape performance security bond prior to issuance. That said, the units approved during the interim reporting period remain valid.

It should be noted that recent trends in development and building permit numbers could lead to a decrease in completed occupancies in upcoming years. This potential decline highlights the need for ongoing monitoring and proactive response to ensure Kelowna remains on track to meet its 5-year housing target.

Conclusion:

With 3,467 net new housing units within the first year of reporting, the City of Kelowna has achieved double its Year 1 Provincial Housing Target and exceeded the Year 2 Target. City staff are continuing to implement measures aimed at supporting the development of various housing types and tenures to help ensure ongoing success at achieving the housing targets for future reporting periods.

Internal Circulation:

Partnerships Department
Development Planning Department
Building and Business Services
Communications Department
Long Range Planning Department

Considerations applicable to this report:***Legal/Statutory Procedural Requirements:***

Housing Supply Act Part 3 – Housing Target Progress Report

Submitted by: G. Allison – Planner II

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

Attachments:

Attachment A - BC Housing Targets Progress Report Form - Reporting Period 1.2: July 1, 2024 – June 30, 2025