



INFORMATION ONLY COUNCIL REPORT

To: Mayor and Council

Date: September 24, 2024

From: Ron Bowles, CAO

File No: P 23-08

Subject: **P 23-08; West Kelowna Infill Housing Strategy**

Report Prepared by: Brittany Nichols, Manager of Long Range Planning

INFORMATION SUMMARY

The purpose of this report is to provide an update on the Draft West Kelowna Infill Housing Strategy, the What We Learned Engagement Summary Report, and associated recommended actions.

STRATEGIC AREA(S) OF FOCUS

Invest in Infrastructure – We will invest in building, improving and maintaining infrastructure to meet the needs of, and to provide a high quality of life for, current and future generations.

Strengthen Our Community – We will provide opportunities for the residents of West Kelowna to build connections, celebrate successes, embrace the community's strengths and diversity, address shared needs, and contribute to shaping the community's future.

Foster Safety and Well-Being – We will pursue through direct action, advocacy, and collaboration with local and regional service providers, investments in community health, needs-based housing, emergency preparedness, policing, and other services that foster safety and well-being in West Kelowna.

BACKGROUND

In June of 2023, Council directed staff to apply for the Complete Communities Program grant administered by the Union of British Columbia Municipalities (UBCM) to undertake a Complete Communities Analysis to inform an Infill Housing Strategy. The City was successful in securing UBCM grant funding to complete the work and engaged Urban Systems as subject matter experts to assist in the Strategy's development.

The West Kelowna Infill Housing Strategy ("the Infill Strategy") is a new foundation for supporting West Kelowna's growing population, addressing the gaps and needs identified

in the City's 2022 Housing Needs Assessment, 2023 Housing Strategy, and aligning with the Growth Concept developed through the Official Community Plan (Attachment #1).

DISCUSSION

West Kelowna's population has increased by 20 per cent over the last decade and is anticipated to grow an average of 1.5 per cent every year until 2050. Situated in Canada's fastest growing Census Metropolitan Area, conservative projections predict that West Kelowna will gain an additional 12,000 new residents in the next 20 years.

In terms of demographics, the median age of West Kelowna's population dropped from 45.2 to 44 between the 2016 and 2021 census. The cohort of those aged 55+ increased from 11,700 to 13,100 at the same time, which tells us that, while the city as a whole is getting younger, the cohort of 55+ is increasing and represents the largest component of the population.

To accommodate growth and support resident's diverse and evolving needs, West Kelowna will need to add several thousand homes to its housing supply. The City recently received a Housing Target Order from the Province which sets out a total target of 2,266 net new completed housing units to be met by July 31, 2029. Expanding allowances for Infill Housing is one strategy to create new types of housing options and new housing supply in West Kelowna without drastically changing the layout of the City.

Provincial Bill 44: Housing Statutes (Residential Development) Amendment Act, 2023

On May 21, 2024, West Kelowna Council adopted Zoning Bylaw amendments that incorporate required provincial regulations under Bill 44 - *The Housing Statutes Residential Development Amendment Act*. To respond to the requirements of the legislation, Council approved changes to the Zoning Bylaw aimed at permitting up to a maximum of four housing units of Small-Scale Multi-Unit Housing on many existing single family residential lots throughout West Kelowna. This means that, in addition to single-detached homes, duplexes with secondary suites and/or carriage houses can be built on many lots. Townhouses can also be built on certain lots in the RP1 and RC2 Zones.

Following the Bill 44 amendments, the Infill Strategy represents one initiative by the City to proactively manage and plan for West Kelowna's housing needs. The Infill Strategy supports the goals of the City's Official Community Plan, aligns with Council's Strategic Priorities, and works in tandem with other local and regional plans to understand and address constraints to infill housing implementation and proactively guide future growth.

Complete Communities Assessment

What are 'Complete Communities'?

Complete Communities is a broad concept that can generally be described as communities, or areas in a community, that provide a diversity of housing to meet community needs and accommodate people at all stages of life, and provide a wide range of opportunities, amenities, and services within a short walking distance. The definition is

broad recognizing that community completeness varies across and between communities.

The grant funders require a “Complete Communities” analysis consisting of a geospatial (mapping and data) analysis to understand how the following ‘lenses’ relate to one another:

- Housing – diversity of housing stock.
- Daily Needs – proximity to amenities and services.
- Transportation – connectivity across the community including transit, sidewalks, cycling infrastructure and road network.
- Infrastructure – high level capacity assessment.

The analysis results in visuals and maps that help identify opportunities and constraints. This was ultimately used to inform what areas in the community could support additional infill, outside of the Urban Centres, and identify areas where the market is likely to drive infill to locate and may need additional components of the other lenses. The Complete Communities project further seeks to advance the five foundations identified in the City’s Community Vision: Our People, Our Connectivity, Our Adaptability, Our Prosperity, and Our Places and their key directions.

Infill Housing Strategy

What is Infill Housing?

‘Infill’ or ‘Infill Housing’ are broad terms which can generally be described as development in established areas of the community that can be serviced with existing sewer, water, and road networks. Infill housing is typically ground oriented. This is where buildings are 3 stories or less, each unit has an at grade door, and development uses the existing lot layout in established neighbourhoods (In other words, infill does not usually involve subdivision). Infill housing makes efficient use of existing infrastructure and services by adding new housing units to existing neighbourhoods.

Infill offers several benefits including diversifying the housing stock, enhancing walkability when built near existing community amenities and services, and is often more environmentally sustainable and cost-effective as opposed to suburban development. Suburban development to the peripheries of the community typically requires construction and maintenance of new infrastructure and services and often results in a deficit requiring additional tax subsidies in the long term.

Housing in West Kelowna

West Kelowna is projected to meet at least 16% of Central Okanagan’s housing needs by 2036. As of 2021, 72% of West Kelowna’s housing supply consisted of single detached dwellings. For a household to purchase a single family home for the average transaction

price found in 2022, a household needs to earn at least \$162,000 annually to ensure servicing fees, taxes, interest and debt payments are under 30% of their income¹.

The City's Housing Needs Assessment from 2022 identified that approximately 930 or 45% of renter households make less than \$60,000 annually which means that these households will be required to allocate more than 30% of their income to housing. Households that are spending more than 30% of their income on housing are considered to be in core housing need. Adding new supply of all types of housing is essential to meeting West Kelowna's housing need and infill housing can introduce more attainable housing options.

Key Elements of the Strategy

The Complete Communities Analysis and Infill Strategy recommends actions to respond to infill where it is likely to occur, and accommodate it where it is desired to be located, based on the City's growth strategy. It also identifies opportunities and strategies to expand infill, beyond what was adopted as a result of Bill 44, such as additional 'plex' type housing.

The Strategy recommends policies, operational activities, and further investigation that could be undertaken to support infill housing in our community. In addition to approximately 35 recommended actions, the Strategy identifies 'priority neighbourhoods' where actions are either most pressing to respond to infill pressure, or most effective to support infill. Future scenarios of infill growth that were developed as part of the process show that 20 years of expected infill growth would be distributed across the City, located in numerous neighbourhoods.

Public Engagement

To inform the content of the Infill Strategy, public engagement activities were undertaken. The purpose of the engagement was to gather feedback to better understand:

- What our community hopes infill housing will achieve in West Kelowna;
- Ways to successfully integrate infill housing in West Kelowna neighbourhoods;
- What types of infill housing residents hope to see in different areas of the City;
- Important consideration for infill housing form and character; and
- How to overcome barriers to infill housing development.

From June 25 to July 15, 2024, a public survey was hosted on the City's 'OurWK Engagement' webpage and a static display of poster boards with informational materials were set up at City Hall along with the paper version of the survey. A total of 272 survey responses were received.

Engagement results from the survey and the interactive displays highlighted several key priorities for infill housing development. The top priorities were minimizing pressure on the urban growth boundary, creating complete communities, and preserving the aesthetic and size of homes. Infill housing was preferred near amenities, with green space

¹ City of West Kelowna Official Community Plan Bylaw No. 300

preservation and parking being among the top concerns. Contradiction emerged between the need for more housing and preserving greenspace and community character, as well as maintaining parking standards, highlighting challenges in balancing development with community values. Detailed engagement results can be viewed in 'Appendix B' of the City of West Kelowna Infill Housing Strategy.

Implementation

Implementation, monitoring, and evaluation is required to fulfill the vision and intent of the project outcomes and recommended actions. The Infill Housing Strategy will require City staff and Council to consider future regulatory updates and other strategic planning to be undertaken to achieve housing goals in the community.

FINANCIAL IMPLICATIONS

This project was funded by the UBCM Complete Communities Program, under which the City received a grant in the amount of \$150,000 to complete the project. The City will be required to report back to UBCM on the activities completed under the grant and demonstrate how the funding was spent in accordance with the terms of the grant program.

COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
June 13, 2023	Council direct staff to apply to the Complete Communities Program, seeking \$150,000 to support the creation of the City of West Kelowna's Infill Housing Strategy	C241/23

CONCLUSION

The City's Infill Housing Strategy looks to advance the City's housing goals in alignment with the Housing Needs Assessment, Housing Strategy, and Official Community Plan. The Strategy makes recommendations to advance infill and to facilitate and monitor the success of infill over the long term. Successful infill housing is one solution to creating a more diverse housing stock and establishing attainable housing options for West Kelowna residents.

REVIEWED BY

Brent Magnan, Director of Development Approvals

Trevor Seibel, Deputy CAO

APPROVED FOR THE AGENDA BY

Ron Bowles, CAO

Powerpoint: Yes No

Attachments:

1. DRAFT City of West Kelowna Infill Housing Strategy