



COUNCIL REPORT

To: Mayor and Council

Date: December 10, 2024

From: Ron Bowles, Chief Administrative Officer

File No: P24-15

Subject: **Housing Needs Assessment – Interim Update**

Report Prepared by: Brittany Nichols, Long Range Planning Manager

SUMMARY

As a result of recent legislative amendments, local governments are required to complete Interim Housing Needs Reports (HNR), also referred to as Interim Housing Needs Assessments, by January 1, 2025, using the new standardized HNR Methodology. These changes are intended to help local governments better understand and respond to housing needs in their communities. Colliers Strategy & Consulting will provide Council with a presentation on the results of the City of West Kelowna's Interim Housing Needs Assessment.

RECOMMENDATION to Consider and Resolve:

THAT Council receives, for information, the Interim Housing Needs Report.

STRATEGIC AREA(S) OF FOCUS

Pursue Economic Growth and Prosperity – We will work with stakeholders throughout the region to advocate for and support efforts aimed at helping West Kelowna businesses prosper. With a focus on the future, we will advance opportunities to expand our economy, increase employment, and develop the community in ways that contribute towards prosperity for all.

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 2022, the City of West Kelowna completed its first Housing Needs Assessment (HNA). HNAs help communities identify existing and projected gaps in housing supply by collecting and analyzing quantitative and qualitative information about local demographics, household incomes, housing stock, and other factors. The City's HNA has helped to inform several strategic planning documents including the City's Housing Strategy (2023), Official Community Plan (2023), and Infill Housing Strategy (2024).

Legislative Requirements

Legislative requirements for Housing Needs Reports were first established in 2019, and required local governments to collect data, analyze trends, and present reports that describe current and anticipated housing needs in their communities.

As a result of the 2023 amendments to the *Local Government Act*, changes were made to the timing and requirements for Housing Needs Reports. Municipalities and regional districts must now prepare Interim Housing Needs Reports by January 1, 2025, using the HNR Method to identify the 5 and 20-year housing need in their communities. Municipalities must then update their official community plans and zoning bylaws by December 31, 2025, to accommodate the number of units identified. The first regular Housing Needs Reports are required to be completed by December 31, 2028, and every five years thereafter.

Interim Housing Needs Report

The City engaged Colliers Strategy & Consulting as subject matter experts to complete the Interim Housing Needs Assessment, including the three new Provincial requirements:

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

Local governments may fulfill this requirement by updating their most recent Housing Needs Report, or by completing an entirely new Housing Needs Report. Colliers built on the previous report to satisfy the above noted requirements introduced by the Provincial government. Additionally, Colliers reviewed and updated the analysis work completed in the previous Housing Needs Assessment report in 2022, where possible, to provide the City of West Kelowna with a thorough and more complete update.

Housing Needs

The number of housing units needed in the City of West Kelowna from 2021-2041 was calculated using the HNR Method as per provincial requirements. Overall, the key findings

from the Interim Housing Needs Assessment (see Table 1 below) show an increase in housing demand from the findings of the 2022 HNA. The new standardized methodology, introduced by the Province, has altered the previous calculation method used for both projecting the population and projecting the housing units allocated to that population.

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

Component	5- Year Need	20- Year Need
A. Extreme Core Housing Need	95	378
B. Persons Experiencing Homelessness	102	204
C. Suppressed Household Formation	90	358
D. Anticipated Growth	2,561	8,066
E. Rental Vacancy Rate Adjustment	14	56
F. Additional Local Demand	307	1,229
Total New Units Required	3,169	10,290

Representatives from Colliers will present Council with the results of the City’s Interim Housing Needs Report (See Attachment #1).

Next Steps

Following receipt of the Interim Housing Needs Report for information by Council, notwithstanding any requested revisions to the document, the document will be made publicly available online through the City’s website, and staff will notify the Ministry of Housing.

FINANCIAL IMPLICATIONS

In January 2024, the City of West Kelowna received \$326,478 in capacity funding from the Province of British Columbia. This funding is intended to support activities or projects local governments must undertake to meet the new Provincial housing legislative requirements. This funding can also be used to hire staff and/or consultants in support of these activities. Approximately \$20,000 of the capacity funding has been allocated to complete the Interim Housing Needs Report.

COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
July 12, 2022	Council received an Information Only Report with respect to the 2022 Housing Needs Assessment. Staff from Colliers Strategy and Consulting and	n/a

Urban Matters attended virtually to present on the Housing Needs Assessment and Community Engagement for West Kelowna.

CONCLUSION

The Interim Housing Needs Report fulfills Provincial reporting requirements. Moving forward, the City will conduct regular five-year updates to estimate housing need, as per provincial methodology. Estimates will help determine how effectively the housing system is responding to community needs over time. Staff are working to coordinate the required OCP updates in 2025, as well as reporting on Provincial housing targets.

REVIEWED BY

Brent Magnan, Director of Development Approvals

Trevor Seibel, Deputy CAO/Deputy Corporate Officer

APPROVED FOR THE AGENDA BY

Ron Bowles, Chief Administrative Officer

Powerpoint: Yes No

Attachments:

- 1) City of West Kelowna Interim Housing Needs Report