



COUNCIL REPORT

To: Mayor and Council

Date: March 11, 2025

From: Ron Bowles, Chief Administrative Officer

File No: P24-06

Subject: **Provincial Housing Target Order – Progress Report 1.1**

Report Prepared by: Brittany Nichols, Long Range Planning Manager

RECOMMENDATION to Consider and Resolve:

THAT Council receive, for information, the Provincial Housing Target Order Progress Report 1.1 for the first six-month period from August 1, 2024, to January 31, 2025.

STRATEGIC AREA(S) OF FOCUS

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

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. This authority comes from the new *Housing Supply Act* and Housing Supply Regulation. Municipalities issued housing target orders must report their progress annually and include information on the actions taken by the municipality toward meeting their target. To meet housing targets, municipalities will need to create the conditions for housing development, including updating zoning bylaws or streamlining development approval processes.

Housing Target Order

The City of West Kelowna received a Housing Target Order (Order), which came into effect on August 1, 2024 (Attachment 1). The City of West Kelowna is required to reach the five-year target of 2,266 net new completed housing units, measured by the issuance of an occupancy permit (also referred to as “final” or “completion”) less housing units lost through demolition by July 31, 2029. The target represents 75% of the Provincial Housing Needs Estimate (Table 1).

Table 1: Annual cumulative number of net new housing units required under the Housing Target Order for the City of West Kelowna (2024-2029)

Year 1	Year 2	Year 3	Year 4	Year 5
289	633	1,059	1,594	2,266

Housing Target Guidelines

Guidelines were also provided for the City that break down the five-year target into recommended ratios with respect to unit size (number of bedrooms) and tenure (rental¹ vs. owned). This is further broken down into recommended number of rental units by market rate (below-market² vs market) and number of below market units that should be supportive rental units³. A summary of the guidelines is shown in Table 2.

Table 2: Housing Unit Breakdown as Guidance for the City of West Kelowna

Total units	Units by size			Units by tenure		Rental units by market rate		Below market supportive rental units
	1-bed	2-bed	3+ bed	Rental	Owned	Below Market	Market	
2,266	1,342	400	524	930	1,335	528	402	74

Compliance with the Guidelines is not required; however, staff are working on data tracking and reporting on progress toward meeting the Guidelines as a best practice.

Performance Indicators

Schedule B of the Order lists performance indicators based on a) progress toward achieving the annual cumulative housing target; and b) actions taken by the municipality towards meeting the housing targets. If a municipality has not met the housing target for the first annual reporting period, it must provide information about any actions that it intends to take toward meeting the housing target.

The Minister of Housing will review the Progress Report to assess if the municipality has made satisfactory progress and will evaluate against the performance indicators. If a municipality can't meet their target, the Minister of Housing may appoint an advisor to review the municipality's progress and make recommendations. The B.C. government may also issue a directive to require the municipality to enact or amend a bylaw or accept or reject a permit to help meet the target.

Progress Reporting

The Order specifies that Council must receive Progress Reports by resolution within 45 days of the end of each reporting period. Following are the reporting periods:

¹ *Rental units* include purpose-built rentals and secondary rentals (e.g. secondary suites and carriage houses).

² *Below market* rental units refers to rental affordability and the number of rental units which are at or below 30 percent of the local Housing Income Limit per unit size.

³ *Supportive rental units* are the number of below-market rental units with on-site supports to provide permanent housing for people to transition out of homelessness.

- Interim Reporting Period 1.1: August 1, 2024 – January 31, 2025 (**Current**)
- Reporting Period 1.2: August 1, 2024 – July 31, 2025
- Reporting Period 2: August 1, 2025 – July 31, 2026
- Reporting Period 3: August 1, 2026 – July 31, 2027
- Reporting Period 4: August 1, 2027 – July 31, 2028
- Reporting Period 5: August 1, 2028 – July 31, 2029

Each Progress Report must be posted on the municipal website and submitted to the Minister of Housing as soon as practical.

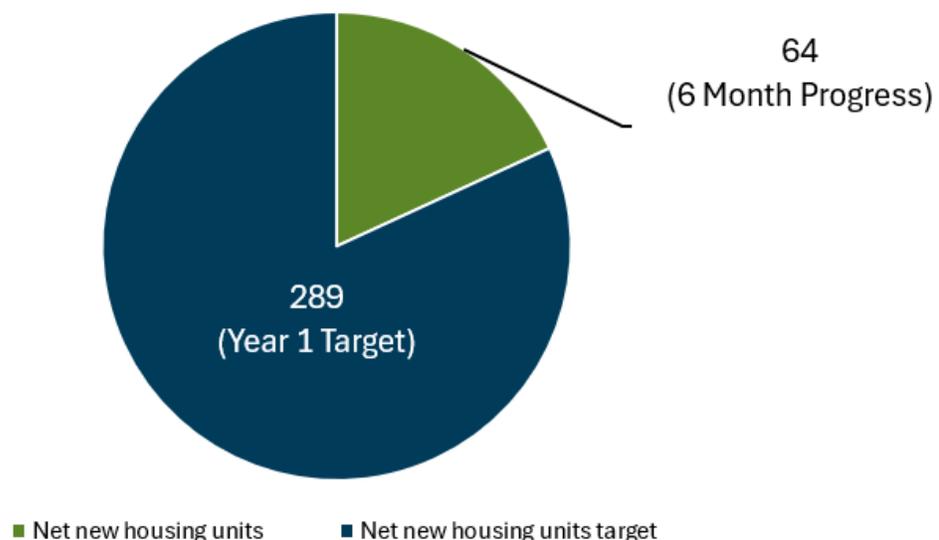
DISCUSSION

The Housing Target Progress Report Form for Period 1.1 (Attachment 2) is in the format prescribed by the Minister of Housing and covers the first interim 6-month Reporting Period from August 1, 2024, to January 31, 2025. As requested by the Minister, the Progress Report also includes the following information:

- Category and type (size, tenure, affordability) of housing units completed during the Reporting Period, where data is available;
- Rezoning, Development Permit, and Building Permits approved within the Reporting Period for housing units that are yet to be completed; and,
- Applications that were cancelled (withdrawn or not approved) during the Reporting Period.

A total of 100 new housing units were completed (received final occupancy permit) within the Reporting Period, and 36 were lost through demolition, for a net total of 64 new units. This total represents the first 6 months of data reporting for Year 1, of which the target is 289 net new units by July 31, 2025.

Figure 1: Provincial Housing Target Order for the City of West Kelowna
6 Month Progress Reporting Period (August 1, 2024 to January 31, 2025)



Another measure of housing activity is the number of approved housing development applications. During the reporting period, the City approved 563 new housing units through rezoning, development permits, and issued building permits. These numbers provide insight into the expected completions for future reporting periods.

The City has further reported on a number of significant actions taken, or are underway, that will assist in meeting the housing targets. It is anticipated that the full effects of recent initiatives will be seen in subsequent reporting periods.

Several internal departments including Planning, Building Inspections, and Information Services staff have been actively working together in the months leading up to the end of the Reporting Period to improve the quality of data gathered in association with housing and development applications, in preparation for this and reduce data gaps in future reports.

CONCLUSION

A five-year cumulative housing target was specified for the City of West Kelowna in a Housing Target Order from the BC Minister of Housing, effective August 1, 2024, along with the requirement to report back to the Minister on progress at specified intervals. This Report presents Council with the Housing Target Progress Report for the first 6-months of Year 1 Reporting Period 1.1: August 1, 2024 to January 31, 2025. The Progress Report lists several actions that have been completed or are underway that may assist in meeting the Housing Target in the future.

REVIEWED BY

Chris Oliver, Planning Manager

Brent Magnan, Director of Community Development

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 Housing Target Order (Ministerial Order)
- 2) Housing Target Progress Report Form (Period 1.1)