

1) Please provide a brief history of how housing in the community has been shaped by forces such as employment growth and economic development, transportation, and migration. Please include any long-term housing challenges the community has faced.

Kelowna's housing landscape has been significantly influenced by employment growth, economic development, transportation, and migration. Kelowna has grown at a faster rate than the province and other similar sized cities over the past 20 years. From 2016 to 2021, Kelowna experienced a 13.5 per cent increase in population compared to 7.6 per cent in BC and 5.2 per cent in Canada. From 2011 to 2021, Kelowna's overall population grew by 27,264 people. The population grew another 12.5 per cent from 2020-2024, from 147,499 to 165,907.

This growth has been driven by growth in technology and healthcare industries, as seen with the establishment of the Innovation Centre and the Interior Health Building in downtown Kelowna, which have attracted a diverse workforce. As of 2024, healthcare is considered the main industry in Central Okanagan by the Central Okanagan Economic Development Commission (COEDC), with 14% of the workforce. Professional, scientific and technical services contain 8% of the workforce, and is considered the fourth largest industry by the COEDC.

Kelowna has also experienced development in the tourism and service sectors. Retail trade, together with Accommodation and food services, make up more than 20% of Kelowna's workforce population. The growth in tourism, along with an increase in the number of people who work remotely since 2020, are both factors in the expansion of Kelowna International Airport, a major transport hub within interior that provides more opportunity for international tourists to visit Kelowna and allows residents to access employment markets elsewhere. The growth in Tourism and the service industry has led to housing challenges as workers in these industries struggle to find housing that meets their needs.

Growth in educational institutions has also contributed to the growth in workforce, and investment in the housing system. The University of British Columbia Okanagan (UBCO) has grown from 5,000 students in 2004 to more than 12,000 in 2024. UBCO is currently constructing a 43-storey downtown campus in Kelowna containing 473 dwelling units, academic space, research and office facilities and a storefront art gallery.

This rapid growth has fueled housing demand, with Kelowna being one of the fastest-growing metropolitan areas in Canada. Kelowna has faced long-term housing challenges, both in terms of affordability and availability. The city has a major shortage of rental housing stock, and particularly subsidized rental housing, and low-income renters and priority groups are disproportionately affected by housing challenges. The 2023 Housing Needs Assessment (HNA) identifies the need for a tenfold increase in the delivery of subsidized rental housing annually and highlights the importance of collaboration and partnership to address these issues.

The expansion and diversification of transportation infrastructure has also played a crucial role in shaping the development of housing in Kelowna. The expansion of Kelowna's active transportation network, the addition of new bicycling infrastructure such as on-street bike lanes, multi-use paths, and cycle tracks along active transportation corridors. The City has established transit supportive corridors (TSCs), which allow for 6-storey development to encourage density along these corridors and future mass transit connections between urban centres.

2) Please detail the existing municipal housing policy and regulatory context, including approved housing strategies, action plans and policies within Official Community Plans (OCPs).

2040 OCP

- The 2040 OCP provides a policy framework for Council by addressing issues such as housing, transportation, infrastructure, parks, economic development and the natural and social environment.
- OCP Housing Policy examples include:
 - **Policy 4.12.3./Policy 5.11.2. Diverse Housing Tenures.**
Encourage a range of rental and ownership tenures that support a variety of households, income levels and life stages. Promote underrepresented forms of tenure, including but not limited to co-housing, fee-simple row housing, co-ops, and rent-to-own.

- **Policy 4.12.6./Policy 5.11.4. Accessible Design.**
Integrate universal design features and principles to create housing options for people of all ages and abilities, including those aging in place.
- **Policy 4.13.1./Policy 5.12.2. Housing with Supports.**
Prioritize the development of subsidized housing and housing with supports in the Urban Centres in addition to the Core Area, particularly near employment, public transit, services and amenities. Promote acceptance by the community for these supports, services and the citizens that are using them.
- A tenant protection bylaw is before Council to help fulfill OCP policies:
 - **Policy 4.13.3/Policy 5.12.3. Tenant Assistance.**
Work towards the creation of a Council policy to protect tenants displaced by redevelopment through fair relocation assistance from the developer. Such relocation assistance should ensure that tenants retain their access to services and amenities, such as employment, transportation and schools.

Housing Action Plan

- The HAP was endorsed by Council on January 27th, 2025. This plan builds upon past and ongoing City efforts in housing and social development, addressing the housing system comprehensively. The HAP is a roadmap that responds to the critical housing challenges facing the community, ensuring that the City meets both immediate and future needs. Included in the HAP are 26 action items, including several high-impact actions. HAP actions are also aligned with actions being taken under the Housing Accelerator Fund.

3) How have population changes in your community impacted your housing market?

Over the past two decades, Kelowna has expanded at a rate surpassing that of the province and other cities of similar size, establishing itself as one of the fastest-growing urban areas in Canada. Between 2016 and 2021, Kelowna's population increased by 13.5 percent, compared to the provincial growth rate of 7.6 percent and the national rate of 5.2 percent. From 2011 to 2021, Kelowna saw its overall population rise by 27,264 individuals. Furthermore, from 2020 to 2024, the city's population grew by an additional 12.5 percent, increasing from 147,499 to 165,907 residents.

This growth has increased housing demand, making Kelowna one of the fastest-growing metropolitan areas in Canada. The city has faced long-term housing challenges, including affordability and availability issues. There is a shortage of rental housing stock, particularly

subsidized rental housing, disproportionately affecting low-income renters and priority groups. The Housing Needs Assessment (HNA) identifies the need for a tenfold increase in the delivery of subsidized rental housing annually and emphasizes the importance of collaboration and partnership to address these issues.

4) How have employment and labour conditions (e.g., prevalence of precarious employment, temporary or seasonal workforces, reliance on less predictable sectors such as natural resources, agriculture, tourism, etc.) in your community impacted housing supply and demand?

Kelowna has experienced significant workforce housing challenges here over the past 5 years. Lack of housing availability has impacted the ability for industries to attract workers, and for workers to find adequate housing. Industries like construction, higher education, healthcare, technology and service sectors have all struggled to recruit and retain due to housing affordability. This has been particularly acute in lower-wage employment, with a growing share of the homeless population being working adults.

Kelowna's 2023 HNA states that as Kelowna's population grows, the city's labour force is also growing and becoming more diverse. In 2006, 53.6 per cent (57,160 people) of Kelowna residents were in the labour force, which increased to 55.3 per cent (79,955 people) in 2021. The participation rate also increased between 2006 and 2021 from 64.8 per cent to 65.4 per cent. Unemployment rates have fluctuated in Kelowna since 2006, and the unemployment rate of 7.9 per cent recorded in 2021 was likely influenced by the COVID-19 pandemic. BC Labour Force Statistics reporting indicates a strong post-pandemic recovery, with an average unemployment rate for 2023 (January – May) of 3.3 per cent ¹. As of May 2025, the unemployment rate in Kelowna is 6.6 percent.²

This growth has been driven by growth in multiple industries. Technology and healthcare have both experienced a growth in workforce, as seen with the establishment of the Innovation Centre and the Interior Health Building in downtown Kelowna, which have attracted a diverse workforce. As of 2024, healthcare is considered the main industry in Central Okanagan by the Central Okanagan Economic Development Commission (COEDC), with 14% of the workforce. Professional, scientific and technical services contain 8% of the workforce, and is considered the fourth largest industry by the COEDC.

Kelowna has also experienced development in the tourism and service sectors. Retail trade, together with Accommodation and food services, make up more than 20% of Kelowna's

¹ Government of British Columbia Labour Market Statistics. Monthly Highlights Data Tables, May 2023

² Central Okanagan Economic Development Commission. COEDC data portal, May 2025

workforce population. The growth in tourism, along with an increase in the number of people who work remotely since 2020, are both factors in the expansion of Kelowna International Airport, a major transport hub within interior that provides more opportunity for international tourists to visit Kelowna and allows residents to access employment markets elsewhere. The growth in tourism and the service industry has led to housing challenges as workers in these industries struggle to find housing that meets their needs.

Growth in educational institutions has also contributed to the growth in the workforce, and investment in the housing system. The University of British Columbia Okanagan (UBCO) has grown from 5,000 students in 2004 to more than 12,000 in 2024. UBCO is currently constructing a 43-storey downtown campus in Kelowna containing 473 dwelling units, academic space, research and office facilities and a storefront art gallery.

5) Please describe the housing needs and challenges of priority populations in your community, specifically for the 13 groups identified by CMHC: women and their children fleeing domestic violence; women-led households (especially single mothers); seniors 65+; young adults aged 18-29; Indigenous peoples; people with physical health or mobility challenges; people with developmental disabilities; people dealing with mental health and addiction issues; veterans; 2SLGBTQIA+; racialized groups; recent immigrants (including refugees); and people experiencing homelessness.

The demand for rental housing, including market and subsidized options, suitable for specific priority groups will continually be required in Kelowna. The quantitative and qualitative analysis conducted as part of this HNA identified several priority groups with distinct housing needs, including:

- One-person households
- Indigenous-led households
- Women-led households
- Female lone parent households
- Senior renters
- Temporary foreign workers
- Students
- Newcomers and refugees
- People with disabilities
- Members of the 2SLGBTQ+ community
- Individuals with low or fixed incomes, such as those receiving income or disability assistance

Affordability is a significant housing challenge for all these groups, who may also have additional requirements related to factors such as house size, access to community amenities, cultural appropriateness, and accessibility considerations. Engagement highlighted discrimination—including racism and ageism—and a lack of pet-friendly rental units as barriers for priority groups seeking rental housing. It is important to note that there is overlap among these groups, and their needs may intersect.

6) How has your community engaged with priority populations? Please provide an overview of the methodology and assumptions used to conduct engagement with priority groups. Please provide a description of who was engaged, the type of engagement that took place, and the nature of the engagement (e.g. interviews, consultations). If a private individual has been engaged, please anonymize and remove any identifying features from the narrative.

To inform the HNA, a community engagement process took place in March 2023, which reached a total of 71 of people including representatives from 34 local groups and organizations, and 34 people with lived and living experience of housing need. This report summarizes the key themes from feedback received and identifies:

- Kelowna's current and emerging housing challenges experienced by community members;
- Existing housing supply gaps including price, tenure, type, and size;
- Priority groups experiencing disproportionate housing challenges;
- COVID-19 impacts on the housing market and local experiences accessing housing; and
- Potential opportunities to address identified challenges

The process engaged diverse groups to understand Kelowna's housing needs and gaps including representatives from non-profit organizations, Indigenous communities, people with lived and living experience of housing need, and other key informants from the development, employment, business, health, education, and other sectors.

7) Please describe local factors that are believed to contribute to homelessness in your community (e.g., the closing of a mental health facility, high numbers of refugee claimants, etc.).

The number of people experiencing homelessness has increased faster than shelter capacity in Kelowna over the last three years. As well, there is a significant shortage of supportive housing in the community, and because housing takes years to build and there is a large existing housing deficit today, there is ongoing need for emergency shelter and rapid safety net housing, particularly in the short term. Preliminary data from Kelowna's most recent Point in

Time Count, conducted by the Central Okanagan Foundation (COF) in November 2024, suggest an increase in the number of people experiencing homelessness since the previous count in 2020. The preliminary findings from the PiT Report are in line with reasons for losing housing/barriers to finding housing identified in the 2023 community survey. The [2023 Community Survey on Homelessness](#) in Kelowna was completed by people experiencing visible homelessness. The survey identified financial challenges as the top barrier to housing, emphasizing the critical need for affordable housing solutions. When asked what type of housing respondents wanted to find, 75 per cent preferred a market rental they could afford, 65 per cent preferred a subsidized rental, and 32 per cent preferred supportive housing.

8) Please identify temporary and emergency relief resources available for individuals experiencing homelessness in your community (e.g., number of shelter beds, resource centres, transitional beds available). If possible, please indicate whether capacity levels are commensurate with need.

In the 2024 budget, City Council approved the expansion of the City's Social Development department with a goal to increase our capacity to mobilize and action solution focused approaches to complex social issues including homelessness. While housing and homelessness dominate today's landscape, the City is conscious that there are many facets of social development, including: social inclusion, accessibility and poverty reduction, child care, youth and senior planning and more.

The temporary and emergency relief resources available for individuals experiencing homelessness in Kelowna include 276 emergency shelter beds, resource centres, and transitional beds. For instance, STEP Place and Trailside are key resource centres that each provide 60 detached modular units along with various services and support for those in need.

However, the number of people experiencing homelessness exceeds the number of emergency shelter beds available in the city, indicating that capacity levels are not commensurate with need. This disparity suggests a pressing need for more emergency relief resources to adequately support the homeless population in Kelowna.

9) Some groups, including students, those in congregate housing, and temporary foreign workers, may be excluded from publicly available core housing need data sources. Communities are encouraged to use this section to describe the housing needs of these respective populations to ensure that all groups are represented in their HNR.

The methodological approach to this HNA began by building a comprehensive understanding of the existing housing deficit and potential future demand for housing in the city using both quantitative and qualitative data. From a quantitative perspective, in addition to several innovative approaches to quantifying the existing housing deficit, this HNA expands on a

project called Housing Assessment Resource Tools (HART) that was led by the University of British Columbia's Housing Research Collaborative in early 2021. The HART methodology is a standardized approach that measures housing need by cross referencing core housing need – an indicator of housing need provided by the census – with household income and household size. Qualitatively, an inclusive community consultation process that included engaging with people with lived and living experience of housing insecurity, was also used.

Kelowna's agriculture industry uses the Temporary Foreign Worker (TFW) program for seasonal labour. Applicants must obtain a Temporary Farm Worker Housing (TFWH) permit. The intent of the TFWH permit is to provide workers with temporary housing to assist farmers through times of intense labour requirements, such as thinning and harvesting. As such, this form of housing is expected to be temporary structures on non-permanent foundations and be communal in nature. Under some circumstances, existing structures can be converted to TFWH.

Rental housing for students is a known deficit in Kelowna. Students need housing that is affordable, in proximity to post-secondary institutions and other amenities, and available during the school year. Kelowna is home to two major post-secondary institutions: Okanagan College and the University of British Columbia (UBC) Okanagan. Okanagan College has 1,200 staff members across all campuses and approximately 4,500 students. UBC Okanagan has approximately 2,000 staff and faculty members and 12,000 students. Representatives from Okanagan College, UBC Okanagan, and UBC Okanagan Student Association were engaged during our 2023 HNA.

10) How have average rents changed over time in your community? What factors (economic, social, national, local, etc.) have influenced these changes?

Rents have steadily increased since 2020 as a result of the rapid growth of Kelowna's population out pacing development of housing. The average monthly rent in Kelowna was \$1,283 in 2021, and \$1,703 in 2024, a 32% change over three years. The change in rent by bedroom count is outlined in the table below.

Type	Oct-21	Oct-22	Oct-23	Oct-24
Bachelor	1,019	1,105	1,139	1,365
1 Bedroom	1,166	1,287	1,477	1,496
2 Bedroom	1,442	1,670	1,793	1,924
3 Bedroom +	1,699	2,158	2,058	2,351
Total	1,283	1,461	1,604	1,703

(Source: CMHC)

The primary factor contributing to the increase in rental prices is the growth in Kelowna's population, alongside the housing shortage highlighted in the housing needs report. Over

the past two decades, Kelowna has experienced a growth rate surpassing that of the province and other cities of comparable size. The majority of Kelowna's population growth is due to migration rather than natural births. In 2021/2022, most new residents in the Kelowna Census Metropolitan Area originated from other provinces, followed by international immigrants, individuals from within British Columbia, and lastly, natural births.

11) How have vacancy rates changed over time? What factors have influenced this change?

Vacancy rates in Kelowna averaged 0.8 per cent between 2021 and 2023, with rates increasing to 3.9 per cent in 2024.

Type	Oct-21	Oct-22	Oct-23	Oct-24
Bachelor	0.1	0.1	0.2	4.9
1 Bedroom	0.7	1.1	0.7	3.5
2 Bedroom	0.5	0.9	1.3	3.6
3 Bedroom +	1.4	0.6	Not Available	6.6
Total	0.6	0.8	1.0	3.9

(Source: CMHC)

Factors that have may have influenced this change include programs such as the Revitalization Tax Exemption (RTE) program, and the Rental Housing Grants (RHG) Program that encourage the development of purpose-built rental housing. The RTE program provides eligible purpose-built rental housing projects with relief from a share of municipal property taxes. For example, since 2023, staff have issued 14 RTE applications with a total of 1,423 units, and an average tax impact per year of \$1,018,058. The RHG program offers developers of non-market purpose-built rental housing the opportunity to obtain grant funding as a measure to offset Development Cost Charges. Most years, the available pool of funding is \$300,000. Funds through the Housing Accelerator Fund (HAF) resulted in an increase in funding to \$3.3 million for the 2024 intake.

12) How have trends in core housing need changed over time between both tenant and owner-occupied households?

As of 2021, 9 per cent of all households – 5,550 households – are in Core Housing Need (CHN). Of the households in CHN, 89 per cent had this status because they were below the affordability standard only. Therefore, most core housing need in Kelowna is due to the cost of housing. As shown in the table below, between 2016 and 2021, the CHN increased by 2 per cent for owner households, and decreased by 2 per cent for renter households.

Number of households in core housing need, Kelowna, 2021 vs 2016

	Owner Households	Renter Households	Total Households
Core Housing Need 2016	1,910 (32%)	4,100 (68%)	6,010
Core Housing Need 2021	1,880 (34%)	3,670 (66%)	5,550

(Source, CMHC)

13) In the last five years, how many affordable units for low and very low-income households have been built, and how many have been lost? If data is not available, please describe how the loss of affordable housing units may have impacted your community.

Our Rental Housing Inventory indicates that in the last five years, 452 subsidized units have been built in the City of Kelowna. In addition, there are currently 693 subsidized rentals in-stream.

Staff are aware of 68 subsidized units that have been lost in the last 5 years. Over the past two and a half years, staff have been aware of four redevelopment applications involving rental buildings, affecting approximately 66 rental units. Staff do not have data on redevelopments prior to this time.

Impacts on the Community

While expanding Kelowna's housing supply is crucial, building new housing in established neighborhoods presents challenges. Redevelopment of older rental stock and mobile home parks—typically more affordable housing options—is becoming more common. Without regulations to assist existing tenants or replace redeveloped units, redevelopment can lead to a loss of affordable units and displacement of long-term residents.

To mitigate impacts on displaced residents, a Tenant Protection Bylaw and associated OCP and bylaw amendments are before Council. This plan would be applicable to properties containing 5 or more rental dwelling units, and that are being redeveloped, resulting in tenancy agreements of rental-dwelling units being terminated. Applicants would be required to submit a Tenant Protection Plan and provide financial compensation to mitigate financial hardships. In addition, staff are exploring up-zoning properties in areas such as along Transit Oriented Area (TOAs) – potentially reducing the pressure on the redevelopment of older apartment rental stock if single dwelling properties are consolidated and redeveloped.

14) Please describe available affordable and community housing options and needs/gaps currently in your community. Examples can include:

Supportive housing is essential for a small yet significant segment of Kelowna's population. It plays a crucial role in ensuring that our housing system accommodates all community members. Supportive housing assists individuals with complex health and social needs in

accessing and maintaining stable housing. For supportive housing to be effective, it must be tailored to the specific needs of residents, rather than employing a one-size-fits-all approach.

The City of Kelowna monitors existing and ongoing supportive housing projects for various resident groups. As of 2025, the city has a total of 3,406 units classified as affordable housing with support services. Among these, 2,551 units are designated for seniors, and 139 units are allocated for non-seniors with disabilities.

Kelowna's 2023 Housing Needs Assessment noted that low-income renters and priority groups are disproportionately affected by challenges across the housing system. The existing deficit demonstrates that the current delivery of supportive housing is inadequate. Conservatively, the HNA estimates that 50 – 150 additional supportive housing units should be delivered annually to better align with community housing need. This estimate considers both the existing deficit and future housing demand.

15) This final section aims to determine how your community anticipates using the results and findings captured in the HNR to inform long-term planning, as well as concrete actions that can address identified needs. Please use the following questions to describe how those linkages will be made.

The HNR is mandated by the Province of British Columbia to inform the Official Community Plan (OCP). Therefore, the number, types, and tenures of housing units outlined in the HNR is reflected in the OCP with future land use and zoning regulations required to achieve these units. For example, the OCP policy encourages three plus bedroom compositions, where our interim HNA identifies a need for units suited to one-person households. In the upcoming OCP update, this policy will be updated to encourage applicants to provide unit types that are needed based on HNAs. Policy changes will help provide clarity and direction for our staff, Council, and the development community.

Our OCP, by way of the HNR, informs our 20-year servicing plan which includes public transit, water, roads, public facilities, parks, and other infrastructure needs. Our OCP includes an extensive chapter on climate resiliency, and the growth scenario for the community is focused on urban areas and avoiding sprawl.

The HNR informs the HAP which main outcomes are to:

- Ensure residents have access to suitable housing options.
- Maintain a housing system that adapts to future community needs.

To achieve these outcomes, the HAP outlines 26 individual actions, and focuses on systems planning, collaboration, and coordination to develop solutions across the Housing Wheelhouse. The Housing Wheelhouse represents the interconnected segments of the

housing system, and improvements in any segment of the Wheelhouse benefit the housing system as a whole.

In response to the growth seen in Urban Centres, the staff are working on a framework to help guide planning decisions in each of our five **Urban Centres**: Rutland, Pandosy, Downtown, Midtown and Capri-Landmark. The Thriving Urban Centres project is a new approach to planning that will guide decisions, policy changes, and recommended actions in a more informed, resource-efficient way compared to traditional urban centres plans. This project will use real-time information to proactively support the evolution of these centres into unique neighbourhoods that enrich people's lives, support social connection, and contribute to the overall fabric of the city.