



1804

# CITY OF VERNON HOUSING ACTION PLAN



CITY OF  
Vernon





**IN THIS PHOTO:**

Thunderbird Manor, 5545 27 Avenue, a 38-unit housing development designed to provide affordable and accessible housing for Indigenous individuals, Elders and families in Vernon. Construction is in progress on a 35-unit housing development at 5577 27 Avenue. This five-storey building will provide a variety of affordable rental homes for Indigenous community members. Nine of the homes will be accessible for people with disabilities. Both housing projects are partnerships between the Vernon Native Housing Society and BC Housing. The City of Vernon and the Regional District of North Okanagan contributed to the projects by offsetting regional and municipal development costs.





## TABLE OF CONTENTS

Introduction	4
The Housing Wheel	6
The Challenge	9
Strategic Directions	12
Performance	18
Conclusion	18

Photography by Barbara Everdene unless otherwise noted.  
Housing Action Plan approved by Council on September 26, 2022.

*Photo Credit: Tourism Vernon*





## INTRODUCTION

Access to housing is critical for the social and economic wellbeing of the community. There is currently a severe lack of housing across the province and Vernon is feeling the impact across many income levels and demographics. The housing shortage requires immediate action, and a continued commitment to longer term solutions

in the years to come. The City has been focused on affordable and attainable housing since 2008. While housing demand and the need for housing has only intensified, the good news is that Vernon has a strong foundation of policies and partnerships in place.



The Vernon Housing Action Plan (HAP) draws direction from the recent plans and experiences of community partners, non-profits, the Regional District of North Okanagan and the City. It integrates the outcomes of Council's Strategic Plan and feedback from the City's Affordable Housing Advisory Committee. The HAP is meant to bring all the information and strategies appropriate for Vernon into one document. Timelines for implementation would be considered in conjunction with dedicated human resources available to implement housing strategies and actions.

Housing in Vernon needs to be diverse in type, size and pricing, and accessible and inclusive, with enough units that are "affordable" and "attainable" throughout the community. What do these words mean?

**Affordable (subsidized) housing** is targeted to low income households, such as those who earn minimum wage or individuals who are receiving government assistance such as seniors or people with a disability. Affordable housing is generally rental housing and can include additional supports for the people living there. It is typically government subsidized housing.

**Attainable (market) housing** is targeted to low to average income households who have been priced out of the market or are struggling with higher rents. Attainable housing may be rental market housing or homes with smaller units or homes on smaller lots for purchase. It is typically market housing.

Successfully implementing the HAP will require support from various levels of government, non-profits and the development community.



2404 35th Avenue is a Habitat for Humanity Okanagan triplex housing project. Habitat offers a unique model of affordable home ownership that involves community sponsorships and volunteerism. Homes are sold to partner families with no cash down payment required and are financed with affordable, no-interest mortgages.

# THE HOUSING WHEEL



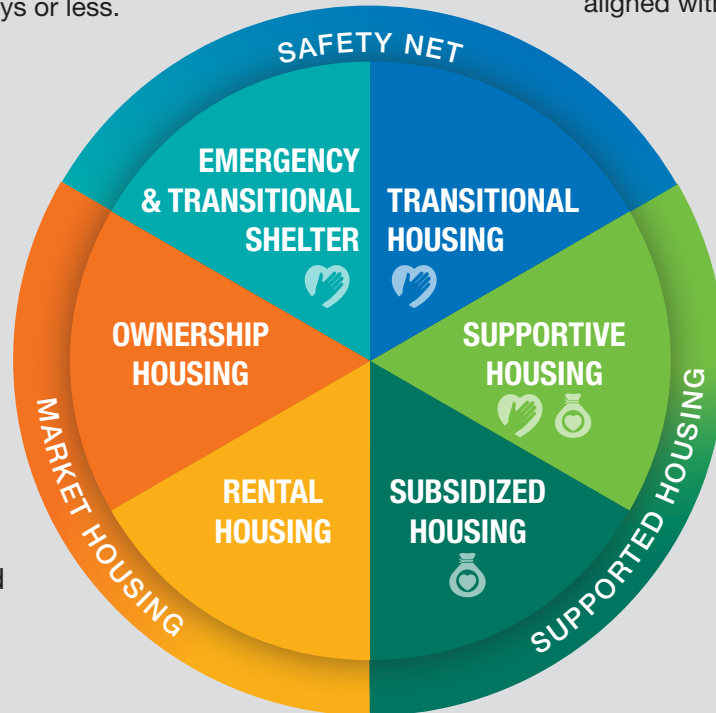
**Emergency & Transitional Shelter**  
Non-profit providers offer temporary shelter, food and other supportive services. Stays are typically 60 days or less.



**Transitional Housing**  
Non-profit housing providers offer stable housing as a step between shelters and long-term housing. Stays are typically 2-3 years, with supportive services aligned with need.



**Ownership Housing**  
Home ownership can be fee simple, strata ownership or shared equity (ie. mobile home park, cooperatives and includes multi-unit and single detached housing).



**Supportive Housing**  
Housing providers offer long-term housing with ongoing supports aligned with need. The level of support varies in this category from supportive (low support), to assisted living (minor support) to residential care (full support).



**Rental Housing**  
*Primary market:* 5+ purpose built units constructed for the purpose of long-term rental tenure, typically in apartments or townhomes.  
*Secondary market:* private housing also contributes to the rental market and can include many forms of housing such as apartments, townhomes, secondary suites, carriage homes and single-family dwellings.



**Subsidized Housing**  
Operated by non-profit housing providers, BC Housing and cooperatives who provide supplemented rents through ongoing government subsidies for low income households.

 Supportive Services

 Financial Support

<sup>1</sup>This diagram has been adapted from the original developed by the City of Kelowna.



The housing wheel shown in Figure 1 demonstrates the range of housing options to meet the needs of households of all income levels, extending from emergency shelter and housing for the homeless through to affordable rental housing and home ownership. Households may move across the various housing categories shown on the wheel throughout their lives.

Since most community housing needs are met through the private sector, this Plan recognizes the need to encourage more attainable market housing (i.e. non-subsidized affordable rental housing and attainable home ownership). This Plan is intended to be a companion Plan to the 2019 Homelessness Strategy which focuses on meeting both safety net and supported housing needs, as shown on Figure 1<sup>1</sup>.







Albert Place at 3610 25th Avenue provides 47 affordable rental homes for families and seniors in Vernon. The project was built through a partnership between the Province of BC, BC Housing, the City of Vernon and the Canadian Mental Health Association (CMHA). The City of Vernon contributed to the project by offsetting municipal development costs.



# THE CHALLENGE

Housing affordability was identified as the most significant challenge during the development of the 2020 [North Okanagan Regional Housing Needs Assessment](#). Since then, housing demand and the need for housing has intensified. There is an increasing gap between household incomes and the cost of living. Despite the number of units approved each year (which meet or beat what is identified in the Regional Housing Needs Assessment), the vacancy rate continues to drop. This has led to observations that there is a “missing middle” in housing; namely, smaller single family and medium density units that are designed for the needs and budgets of average

income households. Addressing affordability is complex and will require action from various levels of government, non-profits and the development community. The lack of availability of diverse housing options impacts housing affordability.

The Regional Housing Needs Assessment included background information on the state of housing in Vernon as well as the region. The Assessment also helped to quantify Vernon’s core housing need. This term indicates the number of households that require housing but do not have sufficient income to afford to rent or own a home currently available on the market. To meet core housing need, some form of assisted non-market affordable housing is typically required. This includes constructing social or affordable housing as well as providing assistance to help cover the cost of housing (typically through BC Housing).

*Vernon Native Housing Society housing developments, clockwise from left: Kikanee Estates, 40-unit affordable housing; Tanner Terrace, 10-unit indigenous seniors’ housing; and Kickwillie Place, 40-unit affordable, indigenous housing.*

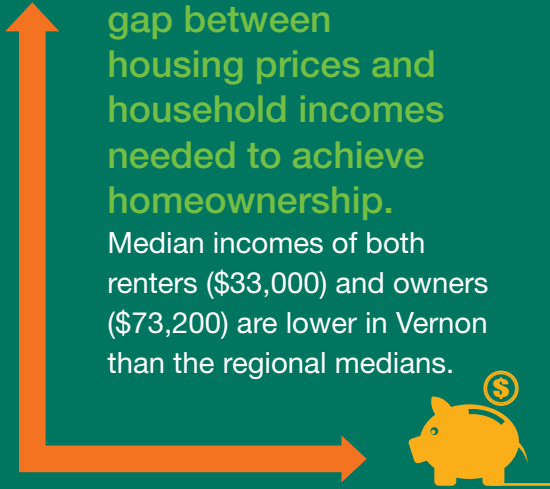






There is a significant gap between housing prices and household incomes needed to achieve homeownership.

Median incomes of both renters (\$33,000) and owners (\$73,200) are lower in Vernon than the regional medians.



There is not enough rental housing to meet current need; the overall rental **vacancy rate is 0.7%**, well below a healthy rate of 3%.



**Only 12%** of Vernon's 5,590 existing rental units are affordable (i.e. less than 30% of the median renter income).



**1 in 3 renters** is in

core need (33%), and most renters are spending over 30% of their income on housing.

Despite the 599 subsidized units created in the community since 2008 (including some under construction),

**there is not enough to meet the current need and the waitlist for housing continues to grow.**







Vernon is experiencing a **sustained moderate population growth of 1.4%**, which is expected to continue. In the 2021 census, Vernon had a population of 44,519.

**Growth is projected at 200 households per year**, for another 1,000 new households between 2022-26, and another 2,375 households between 2026-36.

Vernon has a **disproportionate share of the region's core housing need (60%)**.



Until neighbouring municipalities accommodate supportive housing, Vernon will continue to shoulder the majority of these units.

**There are approximately 2,330 households in core housing need**, that require housing but do not have sufficient income to afford to rent or own a home currently available on the market. It is estimated that core housing need will expand by a further 29 households annually from 2022-26.

Vernon has an aging population, with **1/3 of owners and 1/4 of renters over the age of 65**.

The largest age group within the region is 45 to 64 years; **singles aged 45-64 are the largest age group in need**, followed by singles over 65.



This information demonstrates some of the reasons why, despite efforts to address this problem, there continues to be a larger demand for housing than there is supply, and a mismatch between the supply and the need for smaller and more affordable units.

Source: 2020 RDNO Housing Needs Assessment



# STRATEGIC DIRECTIONS



The Housing Action Plan builds on the Vernon Housing and Homelessness Strategies (2019), the Regional District of North Okanagan's Housing Needs Assessment (2020), and the Regional District of North Okanagan's Regional Housing Strategy (2021). It also incorporates input from the Affordable Housing Advisory Committee and additional action items to address the need for housing in the community. As such, the HAP is focused on providing attainable housing (i.e. "the missing middle") while continuing to support the provision of affordable and supportive housing in the community.

## **Five Strategic Directions:**

1. Increase the supply of rental housing
2. Increase diversity and affordability of market housing
3. Acquire land for affordable and attainable housing
4. Partner in the delivery of affordable and attainable housing
5. Educate, communicate and strengthen relationships



Several of the recommendations require detailed analysis and consideration by Council. Each of these directions has key actions that will help to guide the City in working to address housing concerns over the next several years. These actions are summarized in the table below.

Action	Housing Strategy		Indicator
	2019 Vernon	2021 RDNO	
STRATEGIC DIRECTION: ALL			
0.1 Create a full-time permanent position for a housing planner to implement policy/bylaw changes, streamline and accelerate the review of affordable and attainable housing projects, raise awareness and build relationships		●	Position created and person hired
STRATEGIC DIRECTION 1: INCREASE THE SUPPLY OF RENTAL HOUSING			
1.1 Explore zoning amendments and additional incentives to accelerate the development of new rental housing	●	●	Number of new rental housing units built per year
1.2 Reduce barriers and incentivize the construction of new secondary suites and secondary dwellings, including allowing suites in semi-detached dwellings	●	●	Number of new secondary suite and secondary dwelling permits per year
1.3 Consider requiring new construction to be secondary suite ready		●	Number of builds that are suite ready per year
1.4 Develop and distribute free pre-designed secondary dwelling plans that meet bylaw requirements and are building permit ready			Number of Building Permits issued for the pre-designed plans
1.5 Regulate short term rentals to reduce their impact on long term rental inventory	●		CMHC rental vacancy rate



Action	Housing Strategy		Indicator
	2019 Vernon	2021 RDNO	
<b>STRATEGIC DIRECTION 2: INCREASE DIVERSITY AND AFFORDABILITY OF MARKET HOUSING</b>			
2.1 Explore zoning amendments to support affordable home ownership and rental, including floor space ratio density zoning, small lot subdivisions, minimum home size and tiny house zoning, rental zoning, zoning for manufactured homes, and apartment lock off units <sup>2</sup>	●	●	Number and average/ median cost of affordable home types (tiny homes on small lots, units in rental zones, manufactured homes, apt. lock off units)
2.2 Explore asking that a portion of new development to be affordable/attainable as part of rezoning processes	●	●	Number of rezoning applications involving community amenity contributions for affordable/ attainable housing or inclusionary zoning per year
2.3 Review existing incentives and explore additional incentives (DCC rebate, housing agreement process, fast-tracking, parking variances, tax incentives, grants)	●		Number of incentives for affordable/ attainable housing per year
2.4 Understand the business case for attainable market housing and work with the development community to increase uptake	●		Number of presentations/ workshops and attendees (e.g. DAPR DWG)

<sup>2</sup>A lock-off unit or suite is a dwelling unit within an apartment with a separate lockable entrance access to a shared common hallway which can be locked-off from the rest of the apartment.



Action	Housing Strategy		Indicator
	2019 Vernon	2021 RDNO	
<b>STRATEGIC DIRECTION 3: ACQUIRE LAND FOR AFFORDABLE AND ATTAINABLE HOUSING</b>			
3.1 Develop and implement a Land Acquisition Strategy that a) maps out priority areas for future land acquisition by the City, b) identifies revenue sources for land acquisition (municipal, federal and provincial) and c) explores innovative financing options	●	●	Ha of City land set aside for the purpose of affordable/attainable housing  Number of new affordable and attainable housing units on City land
3.2 Advocate to senior levels of government for financial support, surplus institutional land or other resources and assistance for affordable housing	●	●	Number of grant applications and total amount requested per year  Total amount funded per year
3.3 Make City-owned lands development ready in terms of assembly, zoning and servicing			Number of parcels readied for affordable housing in terms of assembly, zoning and servicing



Action	Housing Strategy		Indicator
	2019 Vernon	2021 RDNO	
<b>STRATEGIC DIRECTION 4: PARTNER IN THE DELIVERY OF AFFORDABLE AND ATTAINABLE HOUSING</b>			
4.1 Support build-out of land already acquired for affordable and attainable housing	●	●	Number of new non-profit (government supported) affordable and attainable units AHRF disbursements
4.2 Explore fast-tracking and reduced bylaw requirements for non-profit housing development, including reduced parking requirements based on location, housing type, proximity to transit, etc.	●		Number of new non-profit housing starts
4.3 Collaborate with Social Planning Council of the North Okanagan (SPCNO) – Housing First and other initiatives (e.g. 2019 Homelessness Strategy)	●	●	SPCNO report card on 2019 Strategy indicators
4.4 Collaborate with RDNO and communities in the North Okanagan as appropriate on housing research and affordable/attainable housing development	●	●	RDNO report card on 2021 Strategy indicators







Councillors Kelly Fehr and Teresa Durning stand outside My Place. Located at 3500 27th Street, the building offers 52 units of supportive housing, which opened to the community in 2019. The building next door, called The Crossings @ 35th, will provide another 52 units when it opens in early 2023. Both buildings are operated by Turning Points Collaborative Society and were built with support from BC Housing. The City of Vernon contributed to the project by offsetting municipal development costs.



Photo Credit: Laurie Case

Action	Housing Strategy		Indicator
	2019 Vernon	2021 RDNO	
<b>STRATEGIC DIRECTION 5: EDUCATE, COMMUNICATE AND STRENGTHEN RELATIONSHIPS</b>			
5.1 Work to build understanding in the community about the importance of having diverse housing types to build acceptance of affordable/attainable housing projects	●	●	Number of public engagement events and attendees
5.2 Communicate with the community and developers about what the City is doing/offering	●	●	Number of public engagement events and attendees; Webpage analytics
5.3 Continue to build relationships and partnerships at all levels (provincial, regional, non-profit, development stakeholders)	●		Number of Council resolutions re: affordable housing funding opportunities and initiatives



# PERFORMANCE

Each action in the plan includes a measurement of success. At a high level, the success of this affordable and attainable housing plan will be measured by:

- overall community housing stock diversity
- number and diversity of new builds
- change in the annual vacancy rate
- number of new rental units coming into the community rental supply

- number of building permits for secondary suites
- number of relevant housing applications and processing timelines
- uptake of incentives and initiatives

These measurements will be reviewed annually and an affordable and attainable housing report card shared with Council and the community.



# CONCLUSION

The housing shortage requires immediate action, as well as a continued commitment to longer term solutions in the years to come. The City has been focused on affordable housing since 2008, so there is already a strong foundation of policies and partnerships in place, but there needs to be continued efforts to meet the increasing needs of the community at a variety of income levels and housing types. The challenge is significant and the City is only one player. However, by working together, we make change happen. The HAP is the City's roadmap to increasing action and focus to support our community to achieve housing for all.



# APPENDIX A:

## INCENTIVES FOR AFFORDABLE AND ATTAINABLE HOUSING

The City of Vernon has a suite of incentives to support the creation of affordable and attainable housing in the community. As defined in this plan, affordable housing is typically government subsidized rental housing, which may include additional supports for the people living there. Attainable housing runs the spectrum from rental market housing to smaller lot and smaller sized homes for purchase. Existing incentives are as follows:

1. Waiver of Development Cost Charges (DCCs) for low income housing that is developed or operated by a non-profit society, the Government of Canada, the Province of British Columbia or the local government as rental units ([Bylaw 5233](#));
2. Increase density and reduce parking requirements where a Housing Agreement under the terms of the Local Government Act is in place ([Bylaw 5000](#));
3. Municipal tax exemption for non-profit housing ([Bylaw 5713](#) and the [Permissive Tax Exemption Policy](#)). Properties used by eligible registered non-profit Societies primarily for the provision of affordable housing to members of the community with a range of needs may be exempt from property tax up to 100%. Applications for this exemption must be submitted between June 1 to July 15 each year;
4. Rental Housing Incentive Grants ([Corporate Policy](#)). This program encourages the construction and operation of purpose-built rental housing of four or more dwelling units by providing a grant equal to the City's development cost charge levy or \$4,000 per rental unit, whichever is the lesser;
5. Revitalization Tax Exemption Program ([Bylaw 5362](#)). This provides property tax relief to property owners who undertake eligible construction within the City Centre and Waterfront Neighbourhood area. The extent of the tax exemption is the municipal portion of the tax increase directly attributable to the increase in assessed value of the land and improvements between the highest of the previous two years of assessment prior to the start of construction and the year the project is completed. This increase in assessed value may be waived for up to 10 years;
6. Land acquisition and long term lease of public land for affordable housing; and,
7. Fast tracking in the development application review and approval process.







CITY OF  
Vernon

