

July 14, 2022

To: City of Kelowna
1435 Water Street
Kelowna, BC, V1Y 1J4

From: Canadian Home Builders' Association – Central Okanagan (CHBA – CO)
216 – 1884 Spall Road
Kelowna, BC, V1Y 4R1

Attn: City Council and Mayor Colin Basran
Re: Housing Affordability and 'World Class' Buildings

The Canadian Home Builders' Association – Central Okanagan (CHBA-CO) represents over 300 members of our local residential construction industry: our membership is made up of home builders, renovators, suppliers, designers, and subcontractors. Combined, our membership contributes \$1.9 billion dollars to the local economy – second only to tourism.

We are reaching out today to seek clarity from City of Kelowna Councillors and Mayor Colin Basran on their goals when it comes to solving the housing affordability crisis in our region.

[As quoted by Kelowna Now in a recent article](#), councillors frequently discuss form and character while the average Kelowna resident is just looking for a place to call home that they can afford. We've seen this pattern repeatedly. [On Central Green, Councillor Donn is quoted](#) "If you look back over the last few years, you'll see we've started to focus on getting higher quality architecture in Kelowna and I think Central Green and I think a few other projects really brought that to life for us."

As the voice of the residential construction industry, we feel that it is important to point out several issues with this line of thinking, as it appears the thoughts of council are counterintuitive to making housing more affordable.

"We deserve more. We're at a stage of our evolution where we need to have more of a wow factor in our developments" - Councillor Singh

"We're a world class community and I expected world class type design" – Councillor Hodge

The CHBA-CO requests clarity from council on what components make up 'World Class'. If we are basing this on some of the leading downtown developments like One Water, council should consider the following:

- **The Cost of Glass** – One Water is noted for wall-to-wall glass. Our builders are regularly provided feedback on their projects and the topic of the amount of glass is a frequent conversation at City Hall. Perhaps council is unaware, but the construction sector is managing through a [40% increase in the price of glass this week](#). This is in addition to several price

increases that have occurred throughout the pandemic. Not only is glass costly, but it is less energy efficient than a standard insulated wall. If glass is what makes a building 'world class', expect that to be reflected in the sale price of the home.

- **Architectural Detailing** – This should come as no surprise, but every architectural detail (bump outs, build outs, overhangs, façade details, etc.) adds complexity, time, and cost to a project. Simply put, every time you add a corner, you add a cost. These elements can certainly elevate the appearance of a building, but from the view of the CHBA-CO, they are ineffective in terms of assisting in affordability.
- **Material Mixtures** – Adding visual interest is typically achieved by using a variety of materials like steel, stucco, stone, or Hardie board. Adding multiple materials to the façade of the building adds more costs, more wastage, more shipping, and more complexity for labour.

"I would expect to see more space for folks to recreate, especially in the winter as Councillor Hodge spoke to" – councillor Wooldridge.

- **Parks Development Cost Charges (DCCs)** – When Kelowna Council approved the Parks DCCs that doubled the amount per door from \$7,000 to \$14,180, the accepted logic from Parks staff and Council was that those living in micro suites are more likely to use and benefit from our parks, and thus everyone should pay the same amount.

For the development in question, there are 84 units. This will generate up to \$1.19 million dollars for local parks. We suggest to council that a portion of this money could have been spent on enhancing amenity space in the development as opposed to a generic parks fund. The CHBA-CO has always maintained that charging DCC's on a square footage basis would be more equitable; a reduction on DCC's for smaller suites would allow for an increased budget for amenity space. To ask for both is to add costs that will further our housing affordability problem.

Our community needs leadership on the issues most important to residents. We kindly request that City Council and staff provide clarity around the definition of 'World Class' and direction around the types of homes we wish to create in our community.

Thank you,



Daniel Winer
Executive Officer



On behalf of CHBA-CO Members and the Board of Directors



Darren Witt
President