

KELOWNA CHAMBER OF COMMERCE HIGHLIGHTS THE BUSINESS CASE FOR SUPPORTING AFFORDABLE HOUSING



KELOWNA

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On March 8, the Kelowna Chamber partnered with the **Urban Development Institute** in Kelowna to host a discussion on ending homelessness and supporting affordable housing. The Chamber sees its role as working with experts in housing and social services to support an end to homelessness.

There are business reasons for being interested in affordable housing. At our discussion in March, data from 2011 was presented by the BC Non-Profit Housing Association that summarized the rental market, the cost of housing, and home ownership. These costs are more than most people can afford. Additionally, current housing stock is aging, and new builds aren't keeping pace with the demographic

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trends.

Housing accounts for 23 per cent of BC GDP. If we grow housing, we grow the economy. We recognize that rental housing is critical: it is certainly central for labour mobility and immigration. The magic figure of 30 per cent of income is what people should be spending out of their income, on their housing needs. More than this straps households, and the necessities of food, clothing and transportation fall by the wayside.

The reality of the labour market is that some people make lower wages than others, yet are critical to our labour pool. These workers and community residents need affordable housing, and need it in order to work, to continue to contribute to the economy, and to avoid the risk of becoming homeless.

New housing must be addressed by developers and by municipal governments, among others. Pathways include unlocking land

– with a look at federal, provincial and municipal policies, and removing barriers to change; design and innovation in mixed use or modular construction; operations and maintenance to keep running costs affordable; and finally financing needs to be barrier-free.

These requirements and needs intersect with the business plans and practices of many of our members. We want these members all to be aware and working on solutions that will enhance their own success.

Homelessness costs the Canadian economy \$8 billion annually.

Is homelessness solvable? Yes. For instance, during the 2003 fires in Kelowna, a system was mobilized that incorporated strong local leadership, emergency response, multiple system coordination, and housing that was focused on community mobilization. The same type of plan could be designed to end homelessness, and help deal with the overall problem. At the same time, creating such a plan will assist municipal and provincial planners to assist in ensuring that the people working in the Kelowna job market are able to better manage their income, and their housing finance outlays, especially at critical points in their work lives.

There is another side to homelessness that has implications for business: the expenditure of tax dollars to band-aid solve a chronic problem. The cost of social services, of mental health interventions, in some cases prison, of emergency rooms, hospital stays, and other physical and mental rehabilitation programs – not to mention short-term housing care – definitely adds up. These are social tax dollars that our businesses pay out as part of doing business in Kelowna.

By shifting our focus to prevention and solutions, we build a better community, re-direct tax dollars to more effective programs that have true long-term resonance in the community, and overall, improve the business and residential environment.

This shift in focus from crisis to solution can only build a stronger work setting. Numerous ongoing initiatives are already in place, and with a concerted effort at coordination, these initiatives will continue the good work already underway in Kelowna to address the problem.

Councillor **Luke Stack** says that with funding secured by previous Mayors and Councils, four social housing projects – the Cardington Apartments on St. Paul Street downtown, Willowbridge,

operated by the Canadian Mental Health Association, the NOW apartment building in South Pandosy and Rutland's Newgate Apartments run by the John Howard Society – all became part of the City's social housing fabric.

Provincially, former Premier **Gordon Campbell** called for mayors to address the ongoing problem of homelessness, and "get serious". Kelowna's mayors **Gray, Shepherd** and **Basran** all have played their parts in doing this. There is also a Kelowna Housing Opportunities Fund that encourages new affordable housing. This program should be ongoing, and function hand in hand with developers.

In closing, affordable housing can help Kelowna remain a hub for all types of businesses, both well-established and start-up; can help workers in the service industry find stability on lower incomes; and can overall help business-people manage their staffs, their HR needs, and their community contributions toward fixing this systemic need.

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