



**KELOWNA ECONOMIC  
SCORECARD 2019**

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## EXECUTIVE SUMMARY

This economic scorecard provides an evidence-based view of Kelowna's performance in comparison to 16 other North American and international cities. Data was drawn from 78 sources to generate scores and grades on 24 indicators – 12 social indicators and 12 economic indicators.

The results of this scorecard can be used by community stakeholders to create initiatives that help make Kelowna a better place to live, work and prosper. Moving forward, the scorecard's data will be available through the Kelowna Chamber of Commerce and future updates will be facilitated by the Kelowna Chamber in partnership with the other organizations on the original working group: Okanagan College, UBC Okanagan and the City of Kelowna. This will allow progress to be monitored and will help stakeholders adjust their initiatives to respond to real world changes.

Overall, Kelowna came in 10th out of 17 cities studied. Kelowna scored better on the Economic indicators (6th) than on the Social indicators (14th). At the top end of the scorecard, Kelowna received three A grades (income inequality, self-employed in labour force, and total value of building permits per capita.) At the bottom end, Kelowna received five D grades (proportion of population with at least a post-secondary degree/diploma, non-visible minorities as a percentage of population, real GDP per capita, high tech employment share, and disposable income per capita.) The three highest scoring cities overall were Boulder, Colorado; Ann Arbor, Michigan; and Victoria, British Columbia.



Photo: WestJet Airlines

# ECONOMIC SCORECARD STEERING COMMITTEE

## Working Group

- Dr. Heather Banham – Dean (retired) – Okanagan School of Business
- Robert Fine – Director of Business and Entrepreneurial Development, City of Kelowna
- Tim Manning – Governor – Greater Vancouver Board of Trade
- Dan Rogers – Executive Director – Kelowna Chamber of Commerce
- Dr. Roger Sugden – Dean – UBC Okanagan Faculty of Management
- Dr. Lynn Sparling – Chair of Business Administration – Okanagan College
- Ben Stewart – MLA for Kelowna West
- Grant Stevens – Vice President of Corporate Services – KF Aerospace
- Renee Wasylyk – CEO – Troika Developments
- James Weir – Consultant – Investors Group Financial Services
- Larry Widmer – General Manager – Community Futures Development Corporation Central Okanagan

## Economic Scorecard Task Force Members

- Phil Ashman – Regional Dean for Central Okanagan – Okanagan College
- Lisanne Ballantyne – President & CEO – Tourism Kelowna
- Mark Betteridge – Founder – Discovery Parks
- Brad Dahl – Regional Film/TV Industry Analyst
- Laurel Douglas – CEO – Women's Enterprise Centre
- Carmen Sparg – President – Kelowna Chamber of Commerce
- Tom Dyas – Past President – Kelowna Chamber of Commerce
- Derek Gratz – Associate Director – UBC Okanagan University Industry Liaison Office
- Corie Griffiths – Director – Central Okanagan Economic Development Commission
- Lynn Heinrich - Marketing and Business Development Manager – Sun-Rype Products Ltd.
- Thom Killingsworth – Executive Director – Kelowna Yacht Club
- Vianne Kintzinger – Assistant Superintendent – School District 23
- Tom Konek – Councillor – Westbank First Nation
- Chris Mazurkewich – Past CEO, Interior Health
- Gary Pearson – CEO – Natures Formulae



# CHAPTER 1

## *Project Overview – purpose of a Scorecard*

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### *“To be the best mid-sized city in North America.”*

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This is the vision statement laid out by the City of Kelowna. But how can we know if our community is achieving this vision? To answer this question, we need a way to measure ourselves against other mid-sized cities. That is where this economic scorecard comes in. By analyzing 24 internationally comparable indicators for Kelowna and 16 other cities, this scorecard provides an evidence-based view of our community’s performance in relation to other global cities.

This is not a marketing exercise. It is an attempt to provide an evidence-based analysis of what we might be doing well and what we could be doing better. This scorecard can help identify areas for improvement, define areas for further growth, and help set the agenda.

This project is a partnership among the City of Kelowna, UBC Okanagan, Okanagan College, and the Kelowna Chamber of Commerce. Moving forward, the scorecard’s data will be housed with the Kelowna Chamber of Commerce. The intention is to update the results every three years. By re-analyzing the same indicators on a regular basis, we will be able to monitor our development and help stakeholders adjust their initiatives to respond to real-world changes.

A special thanks to Tim Manning, past chair and current governor of the Greater Vancouver Board of Trade (GVBOT), for bringing forward the economic scorecard concept. Looking for a data-based starting-point to drive economic development initiatives, the GVBOT worked with the Conference Board of Canada to develop the Greater Vancouver Scorecard. The project launched in 2016 and the first update was released in 2018.



## CHAPTER 2

### Overall Results

#### OVERALL AVERAGE SCORE

CITY	SCORE
1. Boulder	0.678
2. Ann Arbor	0.615
3. Victoria	0.541
4. Charleston	0.516
5. Fredericton	0.512
6. Wellington	0.500
7. Saskatoon	0.488
8. Waterloo	0.481
9. Townsville	0.473
10. Kelowna	0.471
11. Red Deer	0.461
12. Spokane	0.456
13. Eugene	0.448
14. Niagara	0.371
15. San Sebastian	0.326
16. Glasgow	0.321
17. Cork	0.318

Overall, Kelowna finished 10th out of 17 cities. Kelowna scored better in the Economic category (6th place) than in the Social category (14th place). Kelowna excelled (A grade) on one social indicator (income inequality) and two economic indicators (self-employed in labour force, and total value of building permits per capita.) Kelowna got the lowest score (D grade) on two social indicators (proportion of population with at least a post-secondary degree/diploma, and non-visible minorities as a percentage of population), and three economic indicators (real GDP per capita, high tech employment share, and disposable income per capita.)

#### ECONOMIC INDICATORS AVERAGE SCORE

CITY	SCORE	GRADE
1. Boulder	0.776	A
2. Ann Arbor	0.612	A
3. Charleston	0.577	A
4. Wellington	0.518	B
5. Spokane	0.506	B
6. Kelowna	0.500	B
7. Townsville	0.475	B
8. Saskatoon	0.456	B
9. Eugene	0.446	C
10. Victoria	0.425	C
11. Red Deer	0.424	C
12. Waterloo	0.407	C
13. San Sebastian	0.401	C
14. Glasgow	0.359	C
15. Fredericton	0.359	C
16. Niagara	0.296	C
17. Cork	0.092	D

#### SOCIAL INDICATORS AVERAGE SCORE

CITY	SCORE	GRADE
1. Fredericton	0.666	A
2. Victoria	0.657	A
3. Ann Arbor	0.617	A
4. Boulder	0.580	A
5. Waterloo	0.555	B
6. Cork	0.544	B
7. Saskatoon	0.521	B
8. Red Deer	0.497	B
9. Wellington	0.482	B
10. Townsville	0.471	B
11. Charleston	0.455	C
12. Eugene	0.451	C
13. Niagara	0.446	C
14. Kelowna	0.443	C
15. Spokane	0.405	C
16. Glasgow	0.282	D
17. San Sebastian	0.251	D

## CHAPTER 3

### *Selection Criteria for cities and Indicators*

Looking at experiences across cities and countries provides opportunities to learn and think about what might be done so that a community can achieve its aims and objectives. That is why this economic scorecard is not limited to looking at just North American cities. This study compares Kelowna to six other Canadian cities, five U.S. cities, and five cities from outside North America. Each of the selected cities meets one or more of the following criteria:

- One of Kelowna's Canadian comparators
- Similar population size to Kelowna
- Airport key to community's development
- A popular tourist destination
- Located on or near a major body of water

When selecting the cities to include in this study, an initial analysis of ten data points was conducted for a larger list of cities. To arrive at the current group of 17 cities, those cities that were significantly different or where sufficient comparable data was not available, were taken off the list.

It is important to note that except for Niagara Region, Ont., every effort has been made to use City specific data rather than regional data. For example, the Kelowna data is just for the City of Kelowna and not the Kelowna Census Metropolitan Area, which includes West Kelowna, Peachland, Lake Country and several other unincorporated areas. However, for certain data points such as Gross Domestic Product, Retail Sales and others, only regional data was available.

#### LIST OF CITIES

##### CANADIAN CITIES

Fredericton, N.B.

Kelowna, B.C.

Niagara Region, Ont.

Red Deer, Alta.

Saskatoon, Sask.

Victoria, B.C.

Waterloo, Ont.

##### AMERICAN CITIES

Ann Arbor, Mich.

Boulder, Colo.

Charleston, S.C.

Eugene, Ore.

Spokane, Wash.

##### INTERNATIONAL CITIES

Cork, Ireland

Glasgow, Scotland

San Sebastian, Spain

Townsville, Australia

Wellington, New Zealand



### Methodology, Grading, and Rankings

The research and analysis for this scorecard was conducted at Okanagan School of Business, under the supervision of Dr. Lynn Sparling. The scorecard compares 24 indicators divided into two categories: Economic (12) and Social (12). While this division helps make the data more digestible and easier to analyze, it is important to understand social indicators were included primarily because of the influence they have on a community's ability to attract new residents and investments. In effect, this also makes them economic indicators.

The indicators chosen for this scorecard represent measures that influence Kelowna's attractiveness to both individuals and businesses. The data was collected from a range of sources including governments, airport authorities, economic and social agencies, and census information. As with the selected cities, this study started with a longer list of 40 indicators. However, only indicators where sufficient comparable data could be collected were included in the final scorecard.

For the indicators that are included, great effort went into making sure that the same data definitions were used for each city. This ensures that the results are indeed, comparable. For example, the data used in the High-Tech Work Force indicator was extrapolated from the available labour market data for each city. In contrast, Accelerate Okanagan provides a bi-annual overview of the technology sector in the Okanagan Valley. Using this data however, would have been problematic because other cities have not conducted similar surveys, and Accelerate Okanagan's data was generated using different definitions and methodologies than traditional labour market surveys. Moreover, there is the challenge of applying Okanagan Valley-wide data to the City of Kelowna.

It was difficult to collect data on all 24 indicators for every city, largely because of data incomparability. As a result, there is a range in the number of cities included for each of the indicators.

The city rankings are the result of numerical scores resulting from the data. For each indicator, the top-ranking city was assigned a score of 1.0 and the bottom ranking city was assigned a score of zero. The scores for the remaining cities were calculated with the following formula.

$$\begin{array}{r} \text{.....} \\ (\text{indicator value} - \text{minimum value}) \\ \div \\ (\text{maximum value} - \text{minimum value}) \\ = \\ \text{indicator score} \\ \text{.....} \end{array}$$

Those scores were then grouped by quartile to allow for A–B–C–D report card-style grades, with the cities in the top quartile assigned an A grade and those in the lowest quartile assigned a D grade.

For example, Kelowna was the top-ranked city on the self-employed in the labour force indicator at 15 per cent, and received an indicator score of 1.0. The lowest ranking city (Glasgow) came in at 5.4 per cent, and received an indicator score of zero. The self-employment rate for the second-ranking city (Victoria) was 12.5 per cent and its indicator score was calculated using the formula above:  $(12.5 - 5.4) \div (15 - 5.4) = 0.741$ . This operation was repeated for the remaining cities.

The range between the highest self-employment rate and the lowest was 9.6 per cent. The indicator scores were then grouped into quartiles, resulting in:

- Cities with a self-employed rate between 15 and 12.7 per cent scored an A
- Cities with a self-employed rate between 12.6 and 10.3 per cent scored a B
- Cities with a self-employed rate between 10.2 and 7.8 per cent scored a C
- Cities with a self-employed rate between 7.7 and 5.0 per cent scored a D

In this example, a high score indicates a high level of performance. For indicators where a low score signifies a high level of performance (such as housing affordability), the ranking levels are reversed so that the low scores receive the higher grades.

In cases where a city's score for an indicator produced an outlier (a score well outside the range of the other cities), that city was still assigned a letter grade (an A or D depending on which end of the range it occurred) but was excluded when calculating the grades. For example, on the disposable income per capita indicator, Boulder, Colorado, came in at \$34,905. The next nearest city was Ann Arbor, Michigan, at \$28,204. To avoid skewing the data, Boulder received an A grade, but its \$34,905 outlier was removed when calculating the range between the A, B, C, and D grades.

Each city also received an economic ranking, a social ranking and an overall ranking. The economic and social rankings are averages of the indicators in each category, while the overall ranking is an average of the economic and social scores.

The most recent data available was used in this study. As a result, all the indicators end in 2017 or earlier. When monetary results are reported, such as Real GDP per capita, those results are reported in U.S. dollars to ensure consistency, as the U.S. dollar is international standard for comparative purposes.

### Profiles of Top-Ranked Cities

Overall, the three highest ranking cities in this study were Boulder, Colorado; Ann Arbor, Michigan; and Victoria, British Columbia.

#### **BOULDER, COLORADO (1<sup>ST</sup> PLACE)**

Boulder has a highly skilled workforce and is one of the most highly-educated cities in the U.S. Almost 61 per cent of the region's residents have at least a bachelor's degree and more than 28 per cent of residents older than 25 have a graduate degree.

Boulder is also one of the more popular American cities among Millennials (people aged 20-34.) Thanks in part to the presence of the University of Colorado at Boulder, this demographic makes up 37 per cent of the city's population and almost 25 per cent of the population in the wider metropolitan area.

Boulder has a diverse economy, driven by sectors including aerospace, bioscience, energy, IT-software, natural products, outdoor recreation and others. The City's employment base of about 100,000 jobs is two or three times larger than almost any other U.S. city of comparable size and Boulder is home to major employers such as Google, IBM, and Microsoft.

At the same time, researchers often note the tremendous amount of entrepreneurial activity taking place in Boulder. Since 2012, 41 per cent of all venture capital funding that has flowed into the state of Colorado has been invested in Boulder-based start-ups. While venture capital firms from around the world are attracted to Boulder-based start-ups, the city also has about a dozen local venture-capital firms that often take the lead during funding rounds.

Located near the base of the Rocky Mountains, Boulder is a well-known tourist destination with several nearby ski resorts. It has also been cited by the National Endowment for the Arts as a leading region for artists and has the most restaurants per capita among similar-sized American cities.

## CHAPTER 3 *Continued*

### **ANN ARBOR, MICHIGAN (2ND PLACE)**

Like Boulder, Ann Arbor is a highly educated city. It has the 10th highest high school graduation rate in the United States and over 54 per cent of the population has at least a bachelor's degree. Ann Arbor is also home to several universities.

The largest is the University of Michigan, which is one of the area's primary employers, with over 30,000 employees. Other organizations and companies have also located research centres in Ann Arbor, including General Dynamics, Toyota, and the National Oceanic and Atmospheric Administration (NOAA).

While Ann Arbor's largest economic sector is educational services, biotechnology, healthcare, and high tech have also emerged as important sectors. In 2017, Google opened a new campus in Ann Arbor, where the company houses its AdWords and DoubleClick programs. These programs generate much of Google's revenue streams. Other tech companies with presences in Ann Arbor include Barracuda Networks, Weather Underground, and Duo Security.

The financial news company 24/7 Wall St. named Ann Arbor the 6th most innovative city in the U.S., based on number of patents issued per capita. The University of Michigan has established a hub for innovation and entrepreneurship called Innovate Blue, while a group of banks, universities, tech companies and health care providers created Ann Arbor SPARK, to support start-ups and job creation.

A long-time magnet for artists and foodies, Ann Arbor is known for its vibrant arts and culture scene and its more than 300 restaurants. The city is located along the Huron River and is renowned for its canoeing, kayaking and other freshwater activities. It is also one of the more affordable American cities to live in.

### **VICTORIA, BRITISH COLUMBIA (3RD PLACE)**

Victoria is the capital of B.C. and one of Kelowna's primary Canadian comparators. Like Kelowna, Victoria is known for its climate, strong economy and a growing high-tech industry. As might be expected, government and tourism are two of the city's main economic sectors. However, shipbuilding, high tech and post-secondary education are also important sectors.

Students come to Victoria to attend the University of Victoria, Camosun College, Royal Roads University, the Victoria College of Art and the Canadian College of Performing Arts. Meanwhile, approximately 400 tech companies are located in downtown Victoria and the wider region is home to almost 1,000 tech companies, employing close to 17,000 people.

Entrepreneurs in Victoria are well-supported with a host of business accelerators, co-working spaces, and other resources designed to help them succeed, especially in the tech sector. Victoria ranked 10th in the 2018 Scoring Canadian Tech Talent report, published by CBRE Canada, and an economic impact study by the Victoria Innovation, Advanced Technology and Entrepreneurship Council, found that the tech sector experienced significant growth over a 13-year period.

Industry revenues increased from \$1 billion in 2004 to \$4 billion in 2017. Meanwhile, the overall economic impact of the tech sector in the region grew 30 per cent between 2013 and 2017, to a total of \$5 billion.

## CHAPTER 4

### *Indicator Descriptions and Significance*

#### **ECONOMIC INDICATORS**

##### **Real GDP per capita**

This indicator is calculated by taking a city's real GDP and dividing it by that city's total population. Real GDP tracks the total value produced using constant prices, isolating the effect of price changes. As a result, real GDP is an accurate gauge of changes in the output level of an economy. In order to achieve this, the market value of all elements of the GDP for all shown years is chained to a preselected dollar value. Amounts are reported in 2009 U.S. dollars as per all comparative Economic Scorecards that the research team examined (Greater Vancouver Board of Trade Scorecard, Toronto Board of Trade Regional Scorecard on Prosperity, and the Charleston Regional Economic Scorecard.)

##### *Significance of indicator*

Real GDP per capita is commonly used to compare relative wealth between different areas. A higher GDP per capita is generally associated with a higher standard of living, so it gives an indication of a city's attractiveness to people and businesses.

##### **High Tech Employment Share**

This indicator measures the professional, scientific and technical services share of a city's total employment.

##### *Significance of indicator*

Having a high percentage of people working in high-tech jobs makes a city more attractive to other highly-skilled people and businesses. Tech jobs also earn wages that are 76 per cent higher than the average B.C. wage. At an average of nearly \$82,000 per year, tech jobs represent one of the few safeguards against rising affordability issues.

##### **Inbound airplane seats per capita**

This indicator is calculated by taking the total number of seats on incoming non-stop flights to a city and dividing it by that city's total population.

##### *Significance of indicator*

The indicator gives an indication of a city's connectedness to the rest of the world. A high score means a city has more opportunities for business and leisure travel. This makes it easier for businesses to use a city as their base while easily accessing other destinations and participating in global supply chains.

##### **Office Rents**

This indicator measures the total cost to rent Class A office space in a city's downtown. This indicator is reported in U.S. dollars per square foot from year end 2016.

##### *Significance of indicator*

The indicator gives an indication of the cost of running a business in a city. Cities with lower office rents are more attractive places to invest and open new businesses. However, because higher rents can reflect a high demand for office space, they may also be a sign of a city's economic success.

##### **Unemployment rate**

This indicator measures the percentage of a city's labour force that is not currently employed.

##### *Significance of indicator*

It is easier to find a job in a city with a lower unemployment rate, which means that city is more likely to attract new residents. However, a low rate can also indicate that employers are having a hard time filling vacant jobs, which can act as a deterrent for businesses that are considering locating in a city.

### Labour Force Participation Rate

This indicator measures the percentage of a city's working population between the ages of 16 and 64, that is either currently employed or seeking employment in the local economy.

#### *Significance of indicator*

The indicator gives an indication of an economy's overall health. The labour force participation rate generally goes down during recessionary times when unemployed workers get discouraged by the lack of jobs and stop looking for work. During periods of economic growth, the rate generally goes up as more workers return to the labour force. The rate is also affected by a city's demographics. When a city's share of older residents increases, its labour force participation rate decreases, as fewer people are attached to the labour market, relative to the total population.

### Retail Sales

This indicator measures a city's total retail sales per capita.

#### *Significance of indicator*

The indicator provides insight into consumer confidence and the overall state of a city's economy. If consumers are spending freely, this is a sign they are feeling good about their financial situation and that the economy is in good shape. However, if consumers are feeling uncertain, then their spending tends to drop off and the economy slows down.

### Office Space Vacancy Rate

This indicator measures the percentage of a city's office space that is vacant and available to rent.

#### *Significance of indicator*

The indicator gives an indication of how hard it is for a business to find suitable office space in a city. The higher the vacancy rate, the easier it is for a business to find a suitable space at an affordable rent. As mentioned previously a high vacancy rate can mean that landlords start offering reduced rents and other incentives to attract renters.

### Hotel Occupancy Rate

This indicator measures the percentage of occupied accommodation rooms at a given time in a city, compared to the total number of rooms available.

#### *Significance of indicator*

This is one of the most popular performance indicators in the hotel industry for revenue management, highlighting how much of the available space in a hotel is being used. The city-wide data gives an indication of a city's popularity as a tourism destination. It also gives an indication of how easy it is for people from out-of-town to visit a city for business purposes.

### Self-employment rate

This indicator measures the percentage of a city's labour force that is self-employed.

#### *Significance of indicator*

The indicator gives an indication of a city's level of entrepreneurship. Entrepreneurship and the innovation it spawns are important contributors to a city's ability to be economically resilient in the face of an uncertain future.

### Disposable Income

This indicator is calculated by taking a city's average after-tax income and dividing it by that city's total population.

#### *Significance of indicator*

The indicator gives an indication of a city's attractiveness to people looking for opportunities in a new location. Cities with higher average incomes are more likely to attract new residents and investors.

### Building permits per capita

This indicator is calculated by taking the total annual value of building permits issued in a city and dividing it by that city's total population. Amounts are reported in 2016 U.S. dollars.

#### *Significance of indicator*

The indicator gives insight into a city's growth and the state of its economy. The building market is generally seen as one of the first sectors to rise or fall when economic conditions improve or degrade, and building permits and housing starts can be early indicators of activity in that market.

## SOCIAL INDICATORS

### Air Quality

This indicator is measured using Air Quality Indexes (AQI), which calculate the annual median concentration of particulate matter with a diameter of 2.5 µm or less (PM2.5). Higher AQIs indicate higher levels of air pollution.

#### *Significance of indicator*

High pollution levels can cause health problems and make cities less attractive. Having cleaner air and less pollution gives a city a competitive advantage.

### Commuting time

This indicator measures the average number of minutes for a one-way trip between home and work.

#### *Significance of indicator*

The indicator gives an indication of a city's attractiveness to new residents and investors. Commuting time often feels like lost or wasted time and longer commutes also negatively impact air quality. These factors affect quality of life and influence people's decisions about where to live and invest.

### Housing affordability

This indicator is calculated as a ratio by dividing a city's median house price by its gross annual median household income. A city with higher house prices can still perform well on this indicator if it has higher income levels to offset those costs.

#### *Significance of indicator*

The indicator gives an indication of a city's ability to attract new residents as housing affordability is an especially important consideration when deciding where to live. Even communities with many job opportunities can struggle to attract new residents if housing is unaffordable.

### Population 25- to 34-years-old

This indicator measures the percentage of a city's population between the ages of 25- and 34-years-old.

#### *Significance of indicator*

This age group tends to be highly mobile and have high education levels, making it vitally important to employers. Many people in this demographic are also looking for a place where they can put down roots and start a family. This makes people in this age range invaluable from a community development perspective. A city with a higher percentage of people in this age group will be more attractive to other young adults, putting that city in a better situation for the future.

### Population with at least a post-secondary degree/diploma

This indicator measures the percentage of a city's population 25-years-old or older with at least a post-secondary degree or diploma.

#### *Significance of indicator*

The indicator gives an indication of a city's innovative potential as an educated workforce helps generate new ideas and stimulate economic activity. Cities with a highly educated population are also more attractive to other highly educated people.

### Cultural occupations

This indicator measures the percentage of a city's workforce employed in cultural occupations.

#### *Significance of indicator*

The indicator gives an indication of the significance of a city's cultural and creative industries. There is growing recognition that a strong cultural and creative economy delivers big benefits. Cultural and creative industries create employment, revitalize urban areas, transform ordinary cities into "destinations", create stronger connections between arts and business, and attract skilled workers.

### Homicide rate

This indicator measures a city's homicide rate per 100,000 people.

#### *Significance of indicator*

The indicator gives an indication of a city's safety level. A city with a low homicide rate can earn a reputation as a safe place to live, making it more attractive to existing residents and newcomers.

### Police-Reported Crime Rate

This indicator measures the number of crimes in a city that are reported to the police per 100,000 residents.

#### *Significance of indicator*

The indicator provides a broader perspective on a city's safety than just the homicide rate. For many people, safety is an important consideration when deciding where to live.

### Health Care Access

This indicator measures the per capita number of doctors working in a city.

#### *Significance of indicator*

The indicator gives an indication of how easy it is for a city's residents to access health care. Access to health services is often an important consideration when people are deciding where to live, especially those who are either elderly or who have young families. Having wide access to health care improves overall community health and can help make a city more attractive to new residents, including other doctors.

### Immigrant population

This indicator measures the percentage of a city's total population who were born outside of their country of residence.

#### *Significance of indicator*

The indicator gives an indication of a city's ability to attract immigrants. Because of Canada's low birthrate, immigration is a key factor in ensuring an adequate future workforce. Immigrants are generally attracted to cities that are tolerant, diverse and that are already home to other foreign-born people.

### Non-visible minorities

This indicator measures the percentage of a city's population that is not a visible minority. Using the Statistics Canada definition, non-visible minority applies to persons who are Caucasian in race or white in colour.

#### *Significance of indicator*

It gives an indication of a city's diversity. Diversity is an important driver of innovation and is a gauge of how accepting and tolerant a city is. This can affect how attractive a city is to newcomers.

### Income inequality

This indicator uses the Gini coefficient, an internationally recognized statistical tool for measuring income distribution. A Gini score of zero represents perfect equality (where everyone has the same income) and a Gini of one represents perfect inequality (where one person has all the wealth and everyone else has none.) Therefore, higher Gini scores represent greater levels of income inequality.

#### *Significance of indicator*

Higher levels of income inequality contribute to social problems like homelessness, addiction, violence and increasing crime rates. These in turn affect a city's attractiveness.





## CHAPTER 5

### Results by Indicator

#### ECONOMIC INDICATORS

##### Real GDP per capita

Kelowna scored poorly on this indicator. Its \$33,678 per capita puts it in 13th place with a D grade. Kelowna's real GDP per capita is 46 per cent less than Boulder's indicator-leading \$62,269. Kelowna's result reflects the city's older demographics, high proportion of retirees, and its large percentage (54 per cent) of sole proprietor and small businesses.

<b>INDICATOR:</b>				
Real GDP per capita (in 2009 U.S. dollars)			# of cities ranked: 15	
CITY		\$	GRADE	SCORE
1.	Boulder	\$62,269	A	1.000
2.	Ann Arbor	\$54,069	A	0.773
3.	Saskatoon	\$53,734	A	0.763
4.	San Sebastian	\$48,234	B	0.611
5.	Townsville	\$44,175	C	0.498
6.	Charleston	\$43,106	C	0.468
7.	Waterloo	\$41,838	C	0.433
8.	Victoria	\$41,371	C	0.420
9.	Glasgow	\$38,027	C	0.328
10.	Spokane	\$37,690	C	0.318
11.	Wellington	\$35,194	C	0.249
12.	Eugene	\$35,015	D	0.244
13.	Kelowna	\$33,678	D	0.207
14.	Niagara	\$32,433	D	0.172
15.	Cork	\$26,218	D	0.000

##### High Tech Employment Share

While Kelowna is developing a reputation as a growing technology hub, its 9th place position on this indicator has it behind three other Canadian cities (Waterloo, Victoria and Fredericton), though all four cities received grades of C or D.

<b>INDICATOR:</b>				
High Tech Employment Share			# of cities ranked: 14	
CITY		SHARE	GRADE	SCORE
1.	Boulder	18.1%	A	1.000
2.	Wellington	14.2%	B	0.709
3.	Charleston	10.6%	C	0.440
3.	Waterloo	10.6%	C	0.440
5.	Saskatoon	10.4%	C	0.425
6.	Ann Arbor	9.8%	C	0.381
7.	Victoria	9.6%	C	0.366
8.	Fredericton	7.8%	D	0.231
9.	Eugene	6.8%	D	0.157
9.	Kelowna	6.8%	D	0.157
11.	Spokane	5.4%	D	0.052
11.	Glasgow	5.4%	D	0.052
13.	Red Deer	5.2%	D	0.037
14.	Niagara	4.7%	D	0.000

## CHAPTER 5 *Continued*

### Inbound airplane seats per capita

Kelowna scored well in this category, coming in third place with a grade of B. Victoria is the top-ranked city and is the only Canadian city ahead of Kelowna. Kelowna and Victoria are the 10th and 11th busiest airports in Canada, respectively.

INDICATOR:		# of cities ranked: 8		
Inbound airplane seats per capita				
CITY	# OF SEATS/ PER CAPITA	GRADE	SCORE	
1.	Victoria	9.70	A	1.000
2.	Spokane	8.34	A	0.849
3.	Kelowna	6.00	B	0.600
4.	Charleston	3.78	C	0.342
5.	Eugene	3.22	C	0.280
6.	Saskatoon	2.90	D	0.244
7.	Fredericton	2.80	D	0.233
8.	Waterloo	0.70	D	0.000

### Office Rents

Kelowna's 7th place ranking puts it in the middle of the list with a C grade. Among Canadian cities, Kelowna is behind Fredericton (4th place with a grade of A) and Red Deer (5th place with a grade of B), but ahead of Niagara, Waterloo, Victoria and Saskatoon.

INDICATOR:		# of cities ranked: 13		
Office Rents				
CITY	\$ PER SQ.FT	GRADE	SCORE	
1.	Spokane	\$14.69	A	1.000
2.	Eugene	\$17.30	A	0.888
3.	Ann Arbor	\$19.30	A	0.802
4.	Fredericton	\$19.64	A	0.788
5.	Red Deer	\$21.87	B	0.692
6.	Charleston	\$24.38	B	0.584
7.	Kelowna	\$26.51	C	0.493
8.	Niagara	\$27.00	C	0.493
9.	Waterloo	\$26.51	C	0.493
10.	Victoria	\$33.80	D	0.180
11.	Saskatoon	\$35.78	D	0.095
12.	Boulder	\$38.00	D	0.000
13.	Wellington	\$65.00	D	0.000

## CHAPTER 5 *Continued*

### Unemployment rate

Kelowna's 7th place ranking and grade of B reflect a positive employment situation. Kelowna is ranked just behind Boulder, is tied with Waterloo, and is ahead of the other five Canadian cities. This result is consistent with the January 2017 BMO's regional labour market report card that called Kelowna the best place to find a job in Canada.

INDICATOR: Unemployment rate		# of cities ranked: 16		
CITY	RATE	GRADE	SCORE	
1.	Ann Arbor	2.70%	A	1.000
2.	Charleston	3.50%	A	0.918
3.	Spokane	4.60%	A	0.804
4.	Wellington	4.70%	A	0.794
5.	Glasgow	4.96%	A	0.767
6.	Boulder	6.80%	B	0.577
7.	Kelowna	6.90%	B	0.567
7.	Waterloo	6.90%	B	0.567
9.	Saskatoon	7.30%	B	0.526
10.	Niagara	7.40%	B	0.515
11.	Eugene	8.30%	C	0.423
12.	Victoria	8.60%	C	0.392
13.	Fredericton	8.90%	C	0.361
13.	Townsville	8.90%	C	0.361
15.	Red Deer	10.00%	D	0.247
16.	San Sebastian	12.40%	D	0.000

### Labour Force Participation Rate

As with the previous indicator, Kelowna's 9th place position and grade of B are reflective of a positive employment situation. In the year the data was collected (2016), Kelowna's unemployment rate fell, and job creation was trending in a positive direction.

INDICATOR: Labour Force Participation Rate		# of cities ranked: 16		
CITY	RATE	GRADE	SCORE	
1.	Wellington	73.80%	A	1.000
2.	Red Deer	72.60%	A	0.947
3.	Saskatoon	67.70%	B	0.730
4.	Charleston	67.00%	B	0.699
5.	Boulder	66.80%	B	0.690
6.	Fredericton	65.80%	B	0.646
6.	Waterloo	65.80%	B	0.646
8.	Victoria	65.10%	B	0.615
9.	Kelowna	65.00%	B	0.611
10.	Glasgow	64.50%	B	0.588
11.	Townsville	63.70%	B	0.553
12.	Niagara	61.00%	C	0.434
13.	Ann Arbor	60.90%	C	0.429
14.	Eugene	60.80%	C	0.425
15.	Spokane	59.70%	C	0.376
16.	San Sebastian	51.21%	D	0.000

### Retail Sales

Kelowna's 7th place ranking and C grade suggest that at the time the data was collected, Kelowna's economy was in reasonable shape but that consumers had some uncertainty about the future. Red Deer's number one finish was tied to the economic growth in Northern Alberta and the growth of the resource sector at the time.

INDICATOR:		# of cities ranked: 14		
Retail Sales				
CITY	SALES PER CAPITA	GRADE	SCORE	
1.	Red Deer	\$23,275	A	1.000
2.	Spokane	\$21,925	A	0.895
3.	Boulder	\$19,671	B	0.718
4.	Charleston	\$18,369	B	0.617
5.	Fredericton	\$17,043	B	0.513
6.	Eugene	\$15,735	C	0.411
7.	Kelowna	\$15,453	C	0.389
8.	Saskatoon	\$15,355	C	0.381
9.	Ann Arbor	\$15,153	C	0.365
10.	Niagara	\$14,194	C	0.290
11.	Waterloo	\$13,192	D	0.212
12.	Victoria	\$12,593	D	0.165
13.	Wellington	\$12,397	D	0.150
14.	Cork	\$10,478	D	0.000

### Office Space Vacancy Rate

Kelowna's 5th place ranking and grade of B have the city well-positioned with a vacancy rate that is high enough to make sure office space is accessible to businesses looking for a new location.

INDICATOR:		# of cities ranked: 13		
Office Space Vacancy Rate				
CITY	RATE	GRADE	SCORE	
1.	Boulder	19.7%	A	1.000
2.	Saskatoon	15.7%	A	0.750
3.	Waterloo	14.6%	B	0.677
4.	Niagara	12.9%	B	0.570
5.	Kelowna	12.0%	B	0.513
6.	Wellington	10.0%	C	0.386
7.	Fredericton	9.5%	C	0.357
8.	Ann Arbor	9.4%	C	0.349
9.	Victoria	7.9%	C	0.256
10.	Eugene	6.8%	D	0.184
11.	Charleston	6.1%	D	0.142
12.	Red Deer	4.3%	D	0.023
13.	Spokane	3.9%	D	0.000

### Hotel Occupancy Rate

Kelowna's 8th place ranking and grade of C are not indicative of serious problems. They do suggest however, that there is room for improvement. It should be noted there are likely big seasonal variations in Kelowna's hotel occupancy rate, as the city has distinct high and low tourism seasons and local tourism organizations are trying to develop more shoulder-season occupancy.

INDICATOR:		# of cities ranked: 14		
Hotel Occupancy Rate				
CITY		RATE	GRADE	SCORE
1.	San Sebastian	85.0%	A	1.000
2.	Eugene	81.0%	A	0.896
3.	Wellington	80.5%	A	0.883
4.	Charleston	75.2%	A	0.745
5.	Victoria	74.0%	B	0.714
6.	Saskatoon	72.5%	B	0.674
7.	Spokane	67.0%	B	0.531
8.	Kelowna	64.1%	C	0.456
9.	Ann Arbor	63.4%	C	0.438
10.	Waterloo	63.0%	C	0.427
11.	Townsville	59.2%	C	0.328
12.	Fredericton	57.0%	C	0.271
13.	Niagara	55.8%	D	0.240
14.	Red Deer	46.6%	D	0.000

### Self-employment rate

Kelowna was the top-ranked city on this indicator and the only city to earn a grade of A. This is reflective of Kelowna's entrepreneurial reputation. Kelowna has won a B.C. Small Business Roundtable Award as the best City in B.C. for business and was identified as the most entrepreneurial city in Canada by the Canadian Federation of Independent Business.

INDICATOR:		# of cities ranked: 13		
Self Employment Rate				
CITY		RATE	GRADE	SCORE
1.	Kelowna	15.0%	A	1.000
2.	Victoria	12.5%	B	0.741
3.	Eugene	12.0%	B	0.690
4.	Wellington	11.8%	B	0.667
5.	Ann Arbor	11.0%	B	0.580
6.	Waterloo	10.6%	B	0.543
7.	Niagara	10.6%	B	0.540
8.	Red Deer	9.7%	C	0.448
9.	Saskatoon	9.6%	C	0.436
10.	Charleston	7.5%	D	0.216
11.	Fredericton	7.4%	D	0.207
12.	Spokane	6.1%	D	0.070
13.	Glasgow	5.4%	D	0.000

### Disposable Income

Kelowna's 15th place ranking and a grade of D put it near the bottom of the list with four other Canadian cities (Victoria in 13th place, Waterloo in 14th place, Fredericton in 16th place, and Niagara in 17th place). Meanwhile, the top of the list is dominated by U.S. cities. These results reflect the fact that jurisdictions in the U.S. generally have lower tax rates than jurisdictions in Canada. However, this does not necessarily mean that people in U.S. cities have more spending power. Kelowna's ranking is also affected by its older demographics. Kelowna has the fourth oldest population among Canadian cities. Older people who are out of the labour force tend to have less disposable income than people in the labour force.

### Building permits

Kelowna scored well on this indicator with a grade of A. Its second-place ranking puts Kelowna just behind Boulder. This suggests that Kelowna is well-positioned for future growth.

<b>INDICATOR:</b>				
Disposable income			# of cities ranked: 17	
CITY		\$	GRADE	SCORE
1.	Boulder	\$34,905	A	1.000
2.	Ann Arbor	\$28,204	A	1.000
3.	Charleston	\$27,239	A	0.903
4.	Townsville	\$25,614	B	0.740
5.	Spokane	\$24,792	B	0.658
6.	Wellington	\$23,352	B	0.513
7.	Glasgow	\$22,430	C	0.421
8.	San Sebastian	\$22,158	C	0.394
9.	Red Deer	\$21,689	C	0.347
10.	Saskatoon	\$21,466	C	0.324
11.	Eugene	\$21,369	C	0.314
12.	Cork	\$20,990	C	0.276
13.	Victoria	\$20,187	D	0.196
14.	Waterloo	\$20,136	D	0.191
15.	Kelowna	\$19,600	D	0.140
16.	Fredericton	\$18,544	D	0.031
17.	Niagara	\$18,234	D	0.000

<b>INDICATOR:</b>				
Building permits per capita			# of cities ranked: 12	
CITY		PERMIT \$/ PER CAPITA	GRADE	SCORE
1.	Boulder	\$3,644	A	1.000
2.	Kelowna	\$3,183	A	0.869
3.	Charleston	\$3,107	A	0.848
4.	Spokane	\$1,946	B	0.517
5.	Red Deer	\$1,893	B	0.502
6.	Townsville	\$1,437	C	0.373
7.	Wellington	\$1,349	C	0.347
8.	Fredericton	\$1,201	C	0.305
9.	Waterloo	\$1,015	C	0.253
10.	Saskatoon	\$553	D	0.121
11.	Victoria	\$334	D	0.059
12.	Niagara	\$126	D	0.000

## SOCIAL INDICATORS

### Air Quality

Kelowna's 13th place ranking and grade of C indicate that the city has air quality issues. Air quality in Kelowna is affected by the topography of the Okanagan Valley, which leads to greater air stagnation. During the summer, wildfire smoke sometimes gets trapped in the valley, while high temperatures and increased sunlight can result in high concentrations of ground-level ozone. During the winter, thermal inversions can prevent pollutants from dispersing out of the valley.

INDICATOR:		# of cities ranked: 17		
Air Quality				
CITY	AVG. AQI	GRADE	SCORE	
1.	Townsville	4	A	1.000
2.	Fredericton	6	B	0.714
2.	Victoria	6	B	0.714
2.	Wellington	6	B	0.714
5.	Charleston	7	B	0.571
5.	Boulder	7	B	0.571
5.	Spokane	7	B	0.571
5.	Cork	7	B	0.571
9.	Niagara	8	C	0.429
9.	Eugene	8	C	0.429
9.	San Sebastian	8	C	0.429
9.	Glasgow	8	C	0.429
13.	Kelowna	9	C	0.290
14.	Red Deer	9	C	0.286
14.	Waterloo	9	C	0.286
16.	Ann Arbor	10	D	0.143
17.	Saskatoon	11	D	0.000

### Commuting time

Kelowna is in 8th place with a grade of B. At this point, commuting times should neither attract nor repel new residents and investors. However, if commuting times are allowed to deteriorate they could act as a deterrent. Similarly, if commuting times are improved, this could help make Kelowna more attractive.

INDICATOR:		# of cities ranked: 13		
Commuting time				
CITY	MINUTES	GRADE	SCORE	
1.	Fredericton	13.6	A	1.000
2.	Red Deer	15.0	A	0.890
3.	Boulder	16.5	A	0.772
4.	Eugene	16.9	B	0.740
5.	Ann Arbor	18.6	B	0.606
6.	Spokane	19.1	B	0.567
7.	Saskatoon	19.7	B	0.520
8.	Kelowna	19.8	B	0.512
9.	Niagara	21.5	C	0.378
10.	Waterloo	21.7	C	0.362
11.	Victoria	22.2	C	0.323
12.	Charleston	26.3	D	0.000
13.	Wellington	26.4	D	0.000

### Housing affordability

Among Canadian cities, both Kelowna and Victoria scored poorly on this indicator. Their scores are near the bottom of the list with C grades, while three other Canadian cities (Niagara, Red Deer and Fredericton) received A grades. It should be noted that cities that received C and D grades on this indicator tended to score A and B grades in overall economic performance.

<b>INDICATOR:</b>				
Housing Affordability		# of cities ranked: 14		
CITY	RATIO	GRADE	SCORE	
1.	Niagara	2.98	A	1.000
2.	Red Deer	3.30	A	0.948
3.	Fredericton	3.32	A	0.945
4.	Townsville	3.67	A	0.888
5.	Spokane	3.74	A	0.877
6.	Ann Arbor	4.34	A	0.780
7.	Saskatoon	4.40	A	0.770
8.	Charleston	5.43	B	0.603
9.	Waterloo	5.50	B	0.592
10.	Eugene	5.96	B	0.517
11.	Kelowna	6.60	C	0.413
12.	Victoria	6.94	C	0.358
13.	Wellington	7.83	D	0.214
14.	Boulder	9.15	D	0.000

### Population 25- to 34-years-old

Kelowna scored poorly on this indicator with a 14th place ranking and a grade of C. Meanwhile, its main Canadian competitor, Victoria, is at the top of the list. However, given current demographic trends, it is likely that Kelowna's score will improve in the future. Between 2011 and 2016, the Kelowna area saw above average growth in the number of 30- to 34-year-olds, with an increase of 21.8 per cent, compared to only 13.7 per cent in BC and 8 per cent across Canada.

<b>INDICATOR:</b>				
Population 25-to 34-years old		# of cities ranked: 16		
CITY	%	GRADE	SCORE	
1.	Charleston	19.9%	A	1.000
2.	Victoria	19.3%	A	0.709
3.	Wellington	18.8%	A	0.440
4.	Saskatoon	17.0%	B	0.440
5.	Boulder	17.0%	B	0.425
6.	Red Deer	16.7%	B	0.381
7.	Cork	16.7%	B	0.366
8.	Ann Arbor	16.6%	B	0.231
9.	Glasgow	16.5%	B	0.157
10.	Spokane	15.8%	B	0.157
11.	Townsville	14.9%	C	0.052
12.	Fredericton	14.3%	C	0.052
13.	Eugene	14.0%	C	0.037
14.	Kelowna	13.4%	C	0.000
15.	Waterloo	13.1%	D	0.037
16.	Niagara	4.7%	D	0.000



## CHAPTER 5 *Continued*

### Population with at least a post-secondary degree/diploma

Kelowna scored poorly on this indicator with a 13th place ranking and a grade of D. However, as with the previous indicator, current demographic trends suggest its score will improve in the future. Approximately 15,000 students are currently enrolled at UBC Okanagan and Okanagan College and that number is projected to increase (in comparison, both Boulder and Ann Arbor have approximately 30,000 post-secondary students each.) There are also initiatives underway to help Kelowna retain its graduates.

<b>INDICATOR:</b> Population with at least a post-secondary degree/diploma				<b># of cities ranked: 17</b>
CITY	%	GRADE	SCORE	
1. Ann Arbor	72.8%	A	1.000	
2. Boulder	72.2%	A	0.989	
3. Wellington	71.0%	A	0.967	
4. Charleston	50.0%	B	0.578	
5. Waterloo	48.0%	B	0.541	
6. Cork	42.4%	C	0.436	
7. Fredericton	40.7%	C	0.406	
8. Eugene	39.7%	C	0.387	
9. Victoria	36.6%	C	0.330	
10. Saskatoon	32.5%	C	0.254	
11. Spokane	28.8%	D	0.185	
12. San Sebastian	23.0%	D	0.078	
13. Kelowna	22.5%	D	0.069	
14. Glasgow	21.7%	D	0.054	
15. Niagara	19.3%	D	0.009	
16. Red Deer	19.0%	D	0.004	
17. Townsville	18.8%	D	0.000	

### Cultural occupations

Kelowna scored decently on this indicator, with a 7th place ranking and a grade of B. However, it was outranked by two Canadian cities, Victoria (2nd place) and Waterloo (5th place). Boulder is the top-ranked city with a non-profit arts and culture industry that generates \$69.8 million in annual economic activity, supports 1,832 full-time equivalent jobs, and generates \$4.6 million in local and state government revenues.

<b>INDICATOR:</b> Cultural occupations				<b># of cities ranked: 14</b>
CITY	%	GRADE	SCORE	
1. Boulder	5.0%	A	1.000	
2. Victoria	4.9%	A	0.973	
3. Ann Arbor	3.5%	B	0.595	
4. Charleston	3.4%	B	0.568	
5. Waterloo	3.3%	B	0.541	
5. Eugene	3.3%	B	0.541	
7. Kelowna	3.2%	B	0.514	
8. Fredericton	3.2%	B	0.514	
9. Saskatoon	2.4%	C	0.297	
9. Niagara	2.4%	C	0.297	
11. Red Deer	1.8%	D	0.135	
11. Spokane	1.8%	D	0.135	
13. Wellington	1.6%	D	0.081	
14. Townsville	1.3%	D	0.008	

### Homicide rate

Kelowna scored adequately on this indicator with an 8th place ranking and a grade of B. Except for Charleston and Red Deer, all the cities included on this indicator had relatively low homicide rates.

INDICATOR:				
Homicide rate			# of cities ranked: 13	
CITY	RATE	GRADE	SCORE	
1. Boulder	0.00	A	1.000	
1. Townsville	0.00	A	1.000	
3. Victoria	0.30	A	0.963	
4. Fredericton	0.64	A	0.921	
5. Ann Arbor	0.80	A	0.901	
6. Waterloo	1.11	A	0.863	
7. Niagara	1.40	A	0.827	
8. Kelowna	2.54	B	0.686	
9. Saskatoon	3.14	B	0.612	
10. Eugene	3.60	B	0.556	
11. Spokane	3.70	B	0.543	
12. Red Deer	8.00	D	0.012	
13. Charleston	8.10	D	0.000	

### Police-Reported Crime Rate

Kelowna scored poorly on this indicator, with an 11th place ranking and a grade of C. This makes it the lowest ranked Canadian city on the list. In a 2018 Citizen Survey, 87 per cent of Kelowna residents described the city as either “very safe” or “somewhat safe.” However, that is lower than the provincial norm of 93 per cent.

INDICATOR:				
Police-Reported Crime Rate			# of cities ranked: 14	
CITY	RATE	GRADE	SCORE	
1. Niagara	1,164	A	1.000	
2. Boulder	1,169	A	1.000	
3. Fredericton	1,900	A	0.943	
4. Ann Arbor	1,924	A	0.941	
5. Red Deer	2,942	A	0.863	
6. Saskatoon	3,980	A	0.782	
7. Charleston	4,022	A	0.779	
8. Eugene	4,196	A	0.766	
9. Waterloo	4,697	B	0.727	
10. Victoria	6,138	B	0.615	
11. Kelowna	8,000	C	0.472	
12. Spokane	8,286	C	0.449	
13. Townsville	14,100	D	0.000	
14. Wellington	19,955	D	0.000	

## Health Care Access

Kelowna scored well on this indicator with a 3rd place ranking and a grade of B. The two cities that placed ahead of Kelowna with A grades are both Canadian (Victoria and Fredericton.) In addition, this indicator does not distinguish between the number of general practitioners and the number of specialists in a city. As a result, a high score does not necessarily mean it is easy to find a family doctor.

INDICATOR:		# of cities ranked: 12		
Health Care Access				
CITY	DOCTORS/PER CAPITA	GRADE	SCORE	
1.	Victoria	0.01	A	1.000
2.	Fredericton	0.0037	A	1.000
3.	Kelowna	0.0025	B	0.651
4.	Spokane	0.0023	B	0.593
5.	Red Deer	0.002	B	0.506
5.	Saskatoon	0.002	B	0.506
7.	Ann Arbor	0.0017	C	0.419
8.	Charleston	0.0012	C	0.273
9.	Boulder	0.0011	D	0.244
10.	Waterloo	0.001	D	0.215
11.	Eugene	0.0008	D	0.157
12.	Niagara	0.00026	D	0.000

## Immigrant population

Kelowna's 10th place ranking with a grade of C puts it lower than all five other Canadian cities on the list. The 2016 census found that Kelowna had the lowest rate of immigrant population of any CMA in the country.

INDICATOR:		# of cities ranked: 16		
Immigrant population				
CITY	%	GRADE	SCORE	
1.	Wellington	29.0%	A	1.000
2.	Waterloo	24.9%	A	0.837
3.	Victoria	18.6%	B	0.583
4.	Ann Arbor	17.9%	B	0.556
5.	Saskatoon	17.3%	B	0.532
6.	Cork	17.3%	B	0.530
7.	Niagara	16.3%	C	0.490
8.	Townsville	14.8%	C	0.432
9.	Red Deer	14.6%	C	0.424
10.	Kelowna	14.0%	C	0.400
11.	Boulder	11.0%	C	0.280
12.	Fredericton	10.8%	D	0.270
13.	San Sebastian	10.2%	D	0.247
14.	Eugene	8.1%	D	0.164
15.	Spokane	6.8%	D	0.112
16.	Charleston	4.0%	D	0.000

### Non-visible minorities

Kelowna is in 10th place with a grade of D. This is an unsurprising result as the city has historically attracted fewer immigrants than other parts of B.C., which has five cities (all in the Lower Mainland) where visible minorities make up the majority of the population. The most recent census data suggests that Kelowna is slowly becoming more diverse.

<b>INDICATOR:</b>				
Non-visible minorities			# of cities ranked: 13	
CITY		%	GRADE	SCORE
1.	Ann Arbor	68.7%	A	0.827
2.	Charleston	71.0%	B	0.734
3.	Waterloo	72.5%	B	0.673
4.	Saskatoon	78.6%	C	0.427
5.	Eugene	79.4%	C	0.395
6.	Victoria	80.8%	C	0.341
7.	Boulder	81.0%	C	0.331
8.	Spokane	82.0%	C	0.290
9.	Red Deer	82.8%	C	0.258
10.	Kelowna	88.2%	D	0.039
11.	Fredericton	88.3%	D	0.035
12.	Glasgow	88.4%	D	0.032
13.	Niagara	89.2%	D	0.002

### Income inequality

Kelowna scored well on this indicator with a 1st place ranking (tied with Red Deer). However, all seven Canadian cities received A grades on this indicator. This is largely the result of being compared to five U.S. cities that have much higher levels of income inequality. Therefore, despite scoring an A grade, Kelowna still has income inequality challenges to address.

<b>INDICATOR:</b>				
Income inequality			# of cities ranked: 12	
CITY		%	GRADE	SCORE
1.	Kelowna	0.340	A	1.000
1.	Red Deer	0.340	A	1.000
3.	Niagara	0.360	A	0.917
4.	Saskatoon	0.370	A	0.875
4.	Fredericton	0.370	A	0.875
6.	Waterloo	0.390	A	0.792
7.	Victoria	0.400	A	0.750
8.	Eugene	0.480	C	0.417
9.	Charleston	0.494	C	0.358
10.	Boulder	0.557	D	0.096
11.	Ann Arbor	0.578	D	0.008
12.	Spokane	0.580	D	0.000

## CHAPTER 6

### *Areas for Improvement*

This report card identified 13 indicators where Kelowna could seek improvement. A summary can be found in the table at right.

The Task Force identified three priority areas for future action. They are Housing Affordability and Access, Population Diversity, and Youth Retention.

#### ROOM FOR IMPROVEMENT

Kelowna received a D grade on five indicators:

- High Tech Employment Share
- Real GDP per capita
- Non-Visible Minorities
- Disposable Income per capita
- Population with at least a post-secondary degree/diploma

Kelowna received a C grade on eight indicators:

- Police-Reported Crime Rate
- Housing Affordability
- Population 25- to 34- years-old
- Immigrant population
- Office Rents
- Retail Sales per capita
- Hotel Occupancy Rate
- Air Quality



## CHAPTER 7

### *Current Initiatives*

The intention is to use the results of this report card to develop new initiatives to address areas where Kelowna can improve. It is important however, that these new initiatives complement activities already underway. The section below outlines a number of initiatives currently in progress.

#### **HOUSING AFFORDABILITY AND ACCESS**

Housing is a high priority for the City of Kelowna. In the summer of 2018, the City adopted the healthy housing strategy, which it developed in partnership with Interior Health. The strategy has four key priorities:

1. Promote and protect rental housing;
2. Improve housing affordability and reduce barriers for affordable housing;
3. Build the right supply; and
4. Strengthen partnerships and align investments.

To address these priorities, the Healthy Housing strategy comes with a five-year plan to implement 19 actions. The actions range from adjustments to existing regulations all the way to major new initiatives. Already, the City has updated its bylaws to allow supportive housing and temporary shelters in most urban zoning areas, except for single-family residential areas. As well, higher building heights are now allowed in urban centres and commercial zones to encourage increased density and mixed-use development. The City also offers grants and tax incentives to encourage the construction of purpose-built rental housing.

#### **IMMIGRATION AND DIVERSITY**

According to the latest Census data, Kelowna is slowly becoming more diverse and there are a number of initiatives that aim to make it easier for newcomers to transition and integrate into their new community.

In 2014, the Central Okanagan Local Immigration Partnership (COLIP) was established. Today, the organization has a membership of nearly 50 community organizations and individuals. COLIP works to make the Central Okanagan a more welcoming place for newcomers through community gatherings and events, by creating safe spaces to bring people together, and by providing opportunities for intercultural dialogue. Over the last several years, COLIP has hosted and partnered on events such as World Refugee Day Discussion Forums; Newcomer, Immigrant and Refugee Art Exhibits; Intercultural Awareness Training; Community Forums on Human Relations Race Relations, and Faith; and Rethinking Hiring and Retention summits.

Newcomers are also supported by the immigrant services department at Kelowna Community Resources. It has been providing settlement and integration support services to immigrants, newcomers, refugees, temporary workers and international students for over 15 years. KCR's team of 17 staff members and contractors collectively speak 26 languages. Annually, more than 1,400 eligible participants across the Central Okanagan region receive tailored services and referrals including employment help, language services, and resettlement assistance.

## CHAPTER 7 *Continued*

In addition, UBC Okanagan and Okanagan College are both extensively recruiting international students, some of whom find local career opportunities that keep them in Kelowna once they graduate. Local businesses, especially in the technology industry, are also recruiting workers from around the world. These kinds of efforts, along with Kelowna's business and lifestyle opportunities, make the city an attractive place for newcomers.

### YOUTH RETENTION

Kelowna is getting younger. The 2016 census found that 25- to 34-year-olds make up the largest demographic group moving to Kelowna. Young people are moving here for career opportunities, most notably in the tech sector. This is a sector the City has prioritized through initiatives like its participation in the Innovation Centre, which offers space and support services to the region's burgeoning entrepreneurial technology community.

Young professionals in Kelowna are also working together through the Okanagan Young Professionals Collective. Its mission is to "create a dynamic, vibrant and engaged culture and community that attracts and retains talented professionals in their 20's and 30's to the Okanagan Valley by connecting them with each other and the community through a variety of volunteer, social, professional, sports, arts, cultural events and activities." The collective includes representatives from almost every industry and geographic area in the region. It is supported by the Central Okanagan Economic Development Commission.

There is also more for young people to do in Kelowna than in the past. Kelowna's arts and culture scene is blossoming, and the city is becoming a magnet for the music industry. Kelowna has been selected twice (2010 and 2018) as the host city

for BreakoutWest, an annual event that includes a music industry conference, a showcase festival, and the Western Canadian Music Awards.

Kelowna is also home to a growing array of restaurants and wineries, and the City has encouraged the development of a budding craft brewery industry. Kelowna also continues to offer a host of recreational activities accessible to people of all ages.

In summary, this report provides information on the economic and social performance of Kelowna on a range of indicators in comparison with other cities, along with a brief synopsis of the meaning and potential impact of those indicators.



## CHAPTER 8

### *Next Steps and Beyond*

The first step is to share this scorecard and its underlying data with community organizations, educational institutions, and other interested stakeholders. A special page will be set up on the Kelowna Chamber of Commerce website where the report can be accessed and where information about the project will be housed.

The intention is to provide individuals and organizations with an opportunity to provide feedback after digesting this initial economic scorecard. It will be necessary to explain why this initiative was undertaken, the process involved, and what the data means. The hope is that stakeholders will use the scorecard and its data to inform their economic and social initiatives. The plan is to update the scorecard in three years, in order to measure Kelowna's progress on the indicators, and to help stakeholders assess and adjust their initiatives.

These next steps will be led by the working group made up of the Kelowna Chamber of Commerce, the City of Kelowna, Okanagan College, and UBC Okanagan. The lessons learned through this process and through engagement with other community leaders and organizations, will help the working group establish a framework for the next economic scorecard in 2022.





## APPENDIX A:

### Summary of Kelowna's Performance

ECONOMIC INDICATOR	KELOWNA'S GRADE	KELOWNA'S RANKING (OUT OF TOTAL NUMBER OF CITIES WHERE DATA AVAILABLE)
Real GDP Per Capita	D	13 (15)
High Tech Employment Share	D	9 (14)
Inbound Airport Seats Per Capita	B	3 (8)
Office Rents	C	7 (13)
Unemployment Rate	B	7 (16)
Labour Force Participation Rate	B	9 (16)
Retail Sales	C	7 (14)
Office Space Vacancy Rate	B	5 (13)
Annual Hotel Occupancy Rate	C	8 (14)
Self-Employment Rate	A	1 (13)
Disposable Income	D	15 (17)
Building Permit Value	A	2 (12)
SOCIAL INDICATOR	KELOWNA'S GRADE	KELOWNA'S RANKING
Air Quality	C	13 (17)
Commuting Time	B	8 (13)
Housing Affordability	C	11 (14)
Population 25- to 34- years-old	C	14 (16)
Population with at least a post-secondary degree/diploma	D	13 (17)
Percentage of Labour Force Employed in Cultural Occupations	B	7 (14)
Homicide Rate Per 100,000 population	B	8 (13)
Police-Reported Crime Rate	C	11 (14)
Health Care Access	B	3 (12)
Immigrant Population	C	10 (16)
Percentage of Population Non-Visible Minorities	D	10 (13)
Income Inequality	A	1 (12)

## APPENDIX B:

### *List of Sources*

- About Wellington
- Alberta Doctor Directory
- Ann Arbor Business Profile
- Areavibes
- Boulder Economic Council
- Berkeley-Charleston-Dorchester Council of Government
- British Columbia Doctor Directory
- Boulder Economic Council
- CBRE
- Canada Lodging News
- Canadian Medical Association
- Census Australia
- Census Ireland
- Census Mapper
- Census Scotland
- Central Statistics Office Ireland
- Charleston Community Profile
- Chemistry Consulting
- City Data
- City Dashboards
- City of Ann Arbor
- City of Fredericton
- City of Kelowna
- City of Spokane
- College of Charleston Office of Tourism Analysis
- Colliers Canada
- Colliers USA
- Conser Commercial
- Cork Chamber of Commerce Economic Review
- DataUSA
- Demographia International Housing Affordability Survey
- Eustat – Euskal Estatistika Erakundea Instituto Vasco de Estadística
- FP Financials
- Government of New Brunswick
- GPI Wellington
- Greater Vancouver Board of Trade
- Toronto Board of Trade
- HM Commercial
- ICR Commercial
- Infometrics
- Invest Medicine Hat
- Invest Victoria
- LoopNet
- Metropolitan Cork Retail Study
- Ministry of Social Development New Zealand
- My Police Townsville
- Ontario Doctor Directory
- Parliament of Scotland Disposable Income Fact Sheet
- Owen Hughes Commercial
- Queensland Regional Profile
- REA Index Ireland
- Region of Waterloo Economic Profile
- Salomen Commercial
- Saskatoon Economic Profile
- Smart Asset
- Soderquist Appraisals
- Stats NZ
- Statistics Canada
- Statistics Government of Scotland
- Swisher Commercial
- Tourism and Events Queensland
- Tourism Kelowna
- Town Charts
- Townsville Economic Scorecard
- Turner Drake
- US Census
- US Bureau of Economic Analysis
- Visit Spokane
- Wellington Regional Profile
- Western Investor
- World Health Organization





## Working Group Partners

Okanagan School of Business | City of Kelowna

Kelowna Chamber of Commerce | UBC Okanagan Faculty of Management