



REPORT

Development Services

To: Mayor Côté and Members of Council **Date:** 2/19/2018

From: Jackie Teed **File:** 13.2630.09
Acting Director of Development
Services

Item #: 26/2018

Subject: **Possible Modular Housing Projects**

RECOMMENDATION

THAT Council direct staff to explore 838 Ewen Avenue for a possible modular housing project.

THAT Council direct staff to explore 231 Twelfth Street (the Gasworks) for a possible low-income housing project using a modular building form.

EXECUTIVE SUMMARY

The Provincial Government, as part of its ‘Budget 2017 Update,’ is committing \$291 million over two years for the construction of 2,000 modular housing units across British Columbia for people who are homeless or at risk of homelessness. The Provincial Government is also allocating \$170 million over three years to ensure that all of the new modular housing units are operated by experienced non-profit housing providers. The units will have 24/7 staffing and will include services to assist residents to stabilize and rebuild their lives. Examples of services include case planning and needs assessment, individual and group support services such as life skills, meals, and other support designed to assist residents in meeting housing and personal needs.

The modular housing initiative is a response to the growing issue of housing insecurity throughout British Columbia. People living on the street and those in shelters will be given

priority for this initiative. To date, more than 1,000 units are confirmed in jurisdictions across British Columbia.

Based on this opportunity, City staff has identified three City-owned sites (one on the mainland and two in Queensborough) and one provincially-owned site with development potential for modular housing projects. After initial due diligence work, including taking into consideration site size, configuration, servicing requirements and costs, City staff are recommending that only two sites warrant further exploration – i.e., 838 Ewen Avenue and 231 Twelfth Street.

For 838 Ewen Avenue, consideration is being given to a modular housing project for women who have experienced housing insecurity issues and for 231 Twelfth Street (the Gasworks), consideration is being given to a low-income housing project using a modular building form. Regarding 838 Ewen Avenue, discussions are underway with BC Housing and further due diligence work is occurring, including a geo-technical analysis. As for the Gasworks, a number of issues related to ownership, contamination and remediation of the site must first be addressed.

PURPOSE

The purpose of this report is threefold: (1) to inform Council of a potential funding opportunity related to modular housing; (2) to inform Council of due diligence work with regard to four potential sites; and (3) to seek Council direction with regard to exploring the potential for modular housing on two of the four sites.

BACKGROUND

The Provincial Government, as part of its ‘2017 Budget Update,’ is investing \$291 million to support the construction of 2,000 modular housing units for people who are homeless and more than \$170 million over three years to provide 24/7 staffing and support services. This initiative is a response to the growing issue of homelessness in jurisdictions throughout British Columbia. People living on the street and those in shelters will be given priority.

In Vancouver, each building will include approximately 50 self-contained units, complete with individual kitchens and bathrooms, shared laundry, indoor and outdoor amenity spaces, plus programming space. In 2018, BC Housing will be working with various jurisdictions to determine how they may also benefit from this initiative.

BC Housing, which will be the responsible Provincial agency for this initiative, will purchase, own and provide the modular housing units and supply the operating funds. It will also cover any agreed to capital costs, including design work and site development; lead the selection of a non-profit operator; coordinate the delivery of services; comply with all

municipal conditions, including zoning; and cover all costs associated with decommissioning and relocating units.

POLICY CONTEXT

Official Community Plan

The City's Official Community Plan (2017) includes the following policies:

- *Facilitate the creation and maintenance of housing that offers options for people who are homeless or at risk of homelessness.*
- *Facilitate access to affordable and non-market housing for low- to moderate-income households.*

Mayor's Task Force on Housing Affordability

The Mayor Task Force on Housing Affordability, established in December 2014, makes recommendations to Council in support of the creation of new non-market housing for low- to moderate-income households, affordable rental housing and affordable home ownership. The task force includes the Mayor and two City Councilors, senior City staff and representatives from BC Housing and the Metro Vancouver Housing Corporation.

Affordable Housing Strategy

The Affordable Housing Strategy (2010) contains the following vision:

Within its jurisdiction, the City of New Westminster will work towards being an inclusive city where all residents live in safe, appropriate and affordable housing and where there are housing choices for people of all ages and abilities.

The strategy also contains the following major goal:

- *To improve the choice of housing for New Westminster's low and moderate income residents and households with unique needs.*

DISCUSSION

In response to this potential funding opportunity, City staff identified three City-owned sites (one on the mainland and two in Queensborough) and one provincially-owned site with development potential for modular housing projects.

City staff has undertaken initial due diligence work with regard to the four sites, including taking into consideration site size, configuration, servicing requirements and costs. Based on this due diligence work, which is detailed below, City staff is recommending that only two sites warrant further exploration – i.e., 838 Ewen Avenue and 231 Twelfth Street.

Three City-Owned Sites with Potential for Modular Housing

380 and 335 Thirteenth Street

380 Thirteenth Street (a triangular parcel of land measuring 1,053 square metres/11,334 square feet) and a portion of Thirteenth Street fronting 380 Thirteenth Street (measuring about 930 square metres/10,800 square feet), were considered for a modular housing project targeting single men and/or women with housing insecurity issues. Based on initial due diligence work, City staff has determined that a modular housing project is not feasible due to the constraints of the site. More specifically, the triangular shape of the site, and the size, cannot accommodate the minimum 40 to 50 units required by BC Housing for a modular housing project.

200 Fenton Street

200 Fenton Street (located in Queensborough and measuring 4,094 square metres/44,067 square feet) was also considered for a modular housing project targeting single women with housing insecurity issues. Based on initial due diligence work, City staff has determined that a modular housing project is likely not feasible due to the lack of site access, which would require an extension of Fenton Street; the location of a Metro Vancouver force sewer main, which would have to be bridged; and the limited availability of transit which would make it difficult for residents to access community services. As with most sites in Queensborough, another challenge is the Fraser River Flood Plain and the need to meet the Queensborough Flood Construction Level of 3.53 metres, which would require significant fill deposits and time for ground consolidation.

838 Ewen Avenue

838 Ewen Avenue (also located in Queensborough and measuring 1,454 square metres/15,651 square feet) was also considered for a modular housing project targeting single women with housing insecurity issues. Based on initial due diligence work, City staff is recommending further due diligence work with regard to this site. 838 Ewen Avenue is located in close proximity to the Queensborough Community Centre and is well served by transit. It can also accommodate the minimum 40 to 50 units required by BC Housing for a modular housing project.

As with 200 Fenton Street, the project would need to meet the Queensborough Flood Construction Level of 3.53 metres, which would require significant fill deposits and time for

ground consolidation. 838 Ewen Avenue is a former gas station site and the most recent Certificate of Compliance was issued in 2001. As such, a new Certificate of Compliance to 2018 standards could be required. Additionally, 838 Ewen Avenue is being considered as a possible site for the relocation of the Queensborough Dog Park. Regarding the first consideration, the City has entered into a license agreement with BC Housing to conduct geo-technical and related work to identify the soil stratigraphy and to make recommendations on how to support a building foundation. As for the second consideration, BC Housing could explore capping the site as a remediation method.

If this site is deemed feasible for a modular housing project and Council endorses its possible use for this purpose, it would likely require an Official Community Plan Amendment, a Rezoning and a Development Permit.

Provincially-Owned Site with Potential for Modular Housing

231 Twelfth Street (the Gasworks) is a provincially-owned site measuring 4,241 square metres/45,650 square feet. Initial discussions with BC Housing regarding the Gasworks site has focused on utilizing a portion of it for a modular housing project; however, the site has a number of challenges, including ownership, contamination and remediation. Given these challenges and the longer timeframe in addressing them (likely beyond the two-year development period which is a requirement for funding for modular housing projects), City staff is engaged in ongoing discussions with BC Housing regarding the potential for low income housing, possibly including a child care component, using a modular building format.

ANALYSIS

Targeted Population

If feasible, a modular housing project at 838 Ewen Avenue targeting women with housing insecurity issues would ease some of the pressure on existing shelter spaces for women, including senior women (age 55+) who are increasingly finding themselves homeless for the first time due to high housing costs. The '2017 Homeless Count' reported that 29% of the homeless population in New Westminster were women. Service providers have expressed concern that women are underrepresented as they often use strategies such as couch surfing and doubling up with families and friends, or stay in unsafe situations, rather than stay on the street or access services for the homeless. Further, the presence of programs and services at the Queensborough Community Centre make Queensborough a suitable location for a modular housing project for women with housing insecurity issues.

INTER-DEPARTMENTAL LIAISON

The Building and Planning Divisions of the Development Services Department, and the Transportation and Utilities Divisions of the Engineering Department, have reviewed the suitability of the sites identified as having development potential for modular housing projects. The Chief Administrative Officer and the Planning Division are also working closely with BC Housing.

OPTIONS

There are three options for Council's consideration:

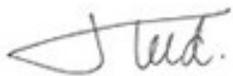
1. That Council direct staff to explore 838 Ewen Avenue for a possible modular housing project.
2. That Council direct staff to explore 231 Twelfth Street (the Gasworks) for a possible low-income housing project using a modular building form.
3. That Council provide staff with other direction.

Staff recommends option 1 and 2.

This report has been prepared by:
Claudia Freire, Housing/Social Planner

This report was reviewed by:
John Stark, Acting Manager of Planning

Approved for Presentation to Council



Jackie Teed
Acting Director of Development
Services



Lisa Spitale
Chief Administrative Officer