

REPORT

Development Services

To: Mayor Côté and Members of Council **Date:** 8/10/2020

From: Emilie K Adin, MCIP **File:** 13.2620.20
Director of Development Services **Item #:** 279/2020

Subject: **Small Sites Affordable Housing Initiative: Queensborough
Recommended Proponent and Connaught Heights Next Steps**

RECOMMENDATION

***THAT** Council endorse in principle the Vancouver Native Housing Society affordable housing project at 350 to 362 Fenton Street to allow the application to advance to the development review stage of the process.*

***THAT** Council direct staff to advance the small sites affordable housing project for 350 to 362 Fenton Street through an expedited process as outlined in Attachment 4 – Proposed Expedited Review Process, including that staff suspend work on the following projects in 2020 to make necessary staff resources available for the project:*

- i. Welcome Centre / Neighbourhood Learning Centre;*
- ii. Implementation phase of the Sanctuary City Policy; and,*
- iii. Shared Entrances and Common Areas Policy.*

***THAT** in regard to the proposed Official Community Plan Amendment to the change the Land Use Designation in the Queensborough Community Plan for 350 to 362 Fenton Street, Council:*

- i. Give consideration to the requirements of Section 475 and 476 as well as other relevant sections of the Local Government Act;*

ii. *Direct staff to advise and consult with:*

a. *The following nations:*

- *Cowichan Tribes*
- *Halalt First Nation*
- *Hwlitsum First Nation*
- *Katzie First Nation*
- *Kwantlen First Nation*
- *Kwikwetlem First Nation*
- *Lake Cowichan First Nation*
- *Lyackson First Nation*
- *Musqueam Indian Band*
- *Penelakut Tribe*
- *Qayqayt First Nation*
- *Seabird Island Band*
- *Semiahmoo First Nation*
- *Squamish Nation*
- *Sto:lo Nation*
- *Stz'uminus First Nation*
- *Tsawwassen First Nation*
- *Tsleil-Waututh Nation;*

b. *Ministry of Transportation and Infrastructure;*

c. *the Board of Education of School District 40;*

iii. *Not pursue consultation with:*

a. *Board of the Regional District in which the area covered by a plan is located (Metro Vancouver);*

b. *any greater boards or improvement districts, as none are considered to be affected by this application;*

c. *any other provincial or federal agency, as none are considered to be affected by this application;*

d. *Greater Vancouver Sewerage and Drainage District Board; and,*

e. *Councils of immediately adjacent municipalities;*

THAT Council direct staff to advance the small sites affordable housing project for 2035 London Street and 2038 Ninth Avenue with the objective of this being shovel-ready for the next BC Housing funding in-take process, anticipated in 2022, and report back to Council once research into the history of the site is complete.

EXECUTIVE SUMMARY

The purpose of this report is to request that Council endorse in principle the proposal received from Vancouver Native Housing Society (VNHS) for 350 to 362 Fenton Street to allow the application to advance to the development review stage of the process. The proposal from VNHS is for a three story apartment building, with a total of 51 units, including a mix of studio, one-, two- and three-bedroom units. It is recognized that this is a higher density proposal than initially anticipated through a small site process, however, staff still recommends advancing this project given the benefits that would be realized. Consultation with the community and stakeholders during the development review process would explore how design, and potentially density, can be modified to ensure that this building form would fit appropriately in this context.

To enable the proposed project to target the January 2021 round of funding from BC Housing, staff are proposing an expedited application review process, which is outlined in this report. Funding from senior levels of government is required to make the project financially viable. This timeline also likely allows for a completed and occupied project in early 2023, delivering much needed new affordable units, aligning with the mandate of the City's 2019-2022 Strategic Plan.

Should Council endorse the project in principle, the next step would be for VNHS to submit a development application and launch the review process. Council would make the final decision with regard to the approval of the project through the consideration of the Official Community Plan Amendment and Zoning Amendment Bylaws.

This project will require an amendment to the Official Community Plan (OCP), to change the land use designation from (RL) Residential – Low Density to (RM) Residential – Multiple Unit Dwellings. A change to the OCP requires consideration of early on going consultation with stakeholders. This report identifies which stakeholders staff recommend be included in this process.

Staff is not yet ready to make a recommendation as to which proponent should be selected for 2035 London Street and 2038 Ninth Avenue. Further time is required to explore the potential impact of the Crown Land Grant. The delay will mean that an application will not be completed in time for the deadlines set by BC Housing for this round of funding. However, staff propose continuing to move forward with a project, taking into account any outcomes of the Crown Land Grant research, with the objective of having a project ready for the next BC Housing funding in-take process, anticipated in 2022.

BACKGROUND

Work to Date

To date the work on the small sites affordable housing initiative has included:

- In late spring of 2019, the Affordable Housing and Child Care Task Force (formerly the Mayor's Task Force on Housing Affordability) instructed staff to initiate a new round of the Small Sites Affordable Housing Initiative.
- In July 2019, staff conducted an inventory of all City-owned sites, which were subsequently evaluated to determine suitability for the initiative.
- On October 28, 2019 Council endorsed in principle the exploration of affordable housing on the City-owned properties at 2035 London Street and 2038 Ninth Avenue, and 350 to 362 Fenton Street. (Site Summary included in Attachment 1.)
- In January 2020, the City posted an RFP for each site. The RFPs were open for an eight week period. A total of 14 proposals were received: seven for each site.
- In March 2020, the initiative was paused to enable staff to focus their attention on the City's COVID-19 response.
- On May 27, 2020 BC Housing announced a new round of funding for the Community Housing Fund.
- In early June 2020, staff conducted an evaluation of the 14 proposals received against the evaluation criteria included in the RFP (see Attachment 2).
- Virtual public information meetings were held for each site: The Connaught Heights session on June 29, 2020, and the Queensborough session on July 8, 2020.

QUEENSBOROUGH PROJECT (350 to 362 Fenton Street)

Recommended Project

The recommended proponent for the development of 350 to 362 Fenton Street is Vancouver Native Housing Society (VNHS). VNHS is a non-profit Society governed by an all Indigenous Board of Directors with over 35 years of experience in providing services and operating housing units in Vancouver.

The proposal from VNHS is for a three story apartment building designed to appear as attached townhouses, with a total of 51 units. The building includes a mix of unit types including 14 studio units (27% of units), 25 one-bedroom (49%), 2 two-bedroom units (12%), and 6 three-bedroom units (12%).

Figure 1: Summary of VNHS Proposal

Height, Form & Character	Three-storey apartment building designed to appear as attached townhouses, with one level of underground parking
Units and Affordability	Units: 51* Inclusionary Units:31**
Targeted Populations	Low- to moderate-income singles and families with a focus on Indigenous singles and families.

* The overall project affordability is set to meet BC Housing's Community Housing Fund which means the mix of rents and incomes reflects the following:

- 30% affordable housing (moderate income),
- 50% rent geared to income (housing income limit), and
- 20% deep subsidy.

** Based on the City's Inclusionary Housing Policy definition of affordable: Units where rents were 10% or more below the 'typical unit' rent (i.e., median rent) in New Westminster with the same number of bedrooms (of all rental buildings, all ages) for the most recent time period (October 2019), based on CMHC data.

Figure 2: Concept Design

Discussion

Highlights of the proposal include:

- The project **maximizes units while being designed to fit into the local context**. For example, the building has been designed to look similar to a townhouse development and the roofline has been designed to minimize the bulk of the building.
- The **mix of unit types** is suitable for a variety of household types, including families.
- The building has been **designed to account for the floodplain**.

- This would be only the second building in Queensborough, outside of Port Royal, which **includes an elevator and accessible units**. VNHS has included an accessible route from the street to the lobby, despite the elevation requirements in the floodplain.
- **A strong approach to community and stakeholder consultation**. VNHS recognizes the importance of inclusiveness, transparency and accessibility to a high-quality engagement process.
- **Alignment with the City's reconciliation initiative**.
- **Alignment with the City's Climate Action Initiative**. The building is intended to be built to Step 4 of the Energy Step Code.
- **A strong team with extensive experience to manage each phase of the project** has been assembled including consultation, development approval, construction, and building operation.

Staff recognizes that this is a higher density proposal than initially anticipated through a small site process, however, staff still recommends advancing this project given the benefits that would be realized, including delivery of much needed affordable housing units, and the overall quality of the proposal. Consultation with the community and stakeholders during the development review process would explore how design, and potentially density, can be modified to ensure that this building form would fit appropriately in this context.

Should Council endorse this proposal for further exploration, revisions to the proposal would be made through the development review process based on feedback from staff, City committees, the community and stakeholders. Council would make the final decision with regard to the approval of the project through the consideration of the Official Community Plan Amendment and Zoning Amendment Bylaws.

It is recommended that Council endorse this project in principle to allow the application to advance to the development review stage of the process.

Proposed Expedited Review Process

Due to the pause to the process while staff focused attention on the City's COVID-19 response, an expedited development review process would be required to complete the OCP and Zoning Bylaw amendment process in time for the January 2021 BC Housing deadline (included in Attachment 4). Funding from senior levels of government is required to make the project financially viable. This timeline also likely allows for a completed and occupied project in early 2023, delivering much needed new affordable units, aligning with the mandate of the 2019-2022 Strategic Plan.

Additional staff resources would be needed to operationalize the expedited timeline. One aspect of achieving these resources would mean the following other Planning Division projects would be suspended in 2020, to make additional staff resources available:

- Welcome Centre / Neighbourhood Learning Centre;
- Implementation phase of the Sanctuary City Policy; and,
- Shared Entrances and Common Areas Policy.

Achieving an expedited timeline would also require:

- **A Special Public Hearing to be scheduled early in January 2021**, prior to the BC Housing deadline. A Public Hearing would be required for the Official Community Plan amendment.
- **No review by the Advisory Planning Commission**, which would be replaced by City-led consultation, allowing for required flexibility to integrate public feedback prior to Council consideration.
- **No Development Permit required**. Review and refinement of the design would occur during the development review process, with further design review following consideration of bylaw adoption, if required.
- **All public and stakeholder consultation would take place this fall**. Consultation approaches would have to be responsive to the current context of the pandemic.
- **The applicant having capacity** to very quickly make revisions and resubmit materials.

Consultation Requirements

The site is designated (RL) Residential – Low Density in the Queensborough Community Plan (QCP) which is a schedule to the City of New Westminster Official Community Plan (OCP). The principle forms and uses permitted by this land use destination are single detached dwellings and duplexes. An amendment to the QCP will therefore be required to change the designation to (RM) Residential – Multiple Unit Buildings, which allows townhouses, rowhouses, stacked townhouses and low rises.

Section 475 and 476 of the *Local Government Act* provides specific requirements for consultation that must occur prior to the consideration of an OCP Amendment. The Act requires local government to provide one or more opportunities it considers appropriate for consultation with the organizations and authorities it considers will be affected by the proposed OCP Amendment. Staff has provided a recommendation for Council's consideration for each of the identified groups:

- a) The Board of the Regional District in which the area covered by the OCP is located.

Consultation with Metro Vancouver is not recommended given the proposed development is consistent with the Regional Growth Strategy.

- b) Greater Boards or Improvement Districts.

Consultation with other Regional Districts is not recommended as the proposed OCP Amendment is not considered to affect adjacent Regional Districts.

- c) The Council of any municipality that is adjacent to the area covered by the plan.

Consultation with the City of Richmond is not recommended given the scale of the proposed development and location of the site, 1.7 kilometres away from the municipal boundary with Richmond. The proposal is not considered to have any negative impact on this municipality.

- d) First Nations

The City is currently in the process of developing a work plan to establish strategies to guide the City in the operationalization of Truth and Reconciliation efforts. These strategies will address how the City undertakes consultations with First Nations in regard to Official Community Plan Amendments, as well as other planning notifications. Until such time as this work is in place and adopted by Council, staff recommends consultation with the following nations which have been identified in the past by the City:

- Cowichan Tribes
- Halalt First Nation
- Hwlitsum First Nation
- Katzie First Nation
- Kwantlen First Nation
- Kwikwetlem First Nation
- Lake Cowichan First Nation
- Lyackson First Nation
- Musqueam Indian Band
- Penelakut Tribe
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e) Greater Boards and Improvement Boards.

The Greater Vancouver Sewer and Drainage District Board oversee operation of regional utilities in New Westminster. Due to the insignificant impact of the change in density of one project, consultation with this Board is not recommended.

f) The Provincial and Federal governments and their agencies.

Consultation with the Ministry of Highways and Infrastructure is recommended since this Ministry has jurisdiction over lands within New Westminster, including the Queensborough Bridge and the property is located within 800 metres (2,625 feet) of the bridge.

Consultation with other Provincial and Federal government agencies is not recommended as the proposed OCP Amendment is not considered to affect other agencies.

g) Board of Education and School District No. 40

Consultation is required with the Board of Education of School District No. 40. The OCP Amendment could impact school enrollment.

Staff will seek input from the parties by sending a letter requesting written comments or inviting participation on public consultation events, at the major milestones of the project.

VNHS has also identified the importance of consultation, including with local First Nations leaders. Staff and the VNHS would collaborate to ensure a coordinated consultation process.

CONNAUGHT HEIGHTS PROJECT (2035 London Street and 2038 Ninth Avenue)

Proposed Extended Timeline

Due to the identification of a Crown Land Grant related to the subject sites (detailed below) staff requires extra time to research the new information and complete the due diligence process for 2035 London Street and 2038 Ninth Avenue. As a result it would not be possible for the project to meet the January 15, 2021 BC Housing funding deadline. However, staff propose continuing to move forward with the project site, taking into account any outcomes of the Crown Land Grant research, with the objective of having a project ready for the next BC Housing funding in-take process, anticipated in 2022. Staff will work with the community to get feedback as this project progresses. Further updates will be provided to Council once more information is available.

Crown Land Grant

Through the consultation process, staff became aware of a Crown Land Grant on 2038 Ninth Avenue that identifies use of the property for parks and recreation purposes. The Grant is not registered on the title of the property at 2038 Ninth Avenue. This is likely because there was

no requirement to register such Grants with the Land Titles Office prior to April 5, 1968. Further updates will be provided once more information is known. At this time, staff can confirm that the current Connaught Heights Park was created by the City instead of developing 2038 Ninth Avenue as a park (research to date is summarized in Attachment 3).

Additional Information Identified

The City archives recently received a request from the public for heritage information regarding the Connaught Heights parcels. In response to that request, the following information has been collated and is provided to Council for information.

In 2009, these two lots were briefly added to the Heritage Register (where they were referred to as “Connaught Village Green”) as part of a larger city-wide update – before being removed a short time later. The update included a dozen City properties such as parks and civic facilities. Through Council’s deliberations on the additions (April 2009), it was suggested that listing some of the community or City-owned features “may not be suitable for the purpose or may impede future decisions relating to those properties”. A handful of the properties listed, including these two lots, and referred them to the Community Heritage Commission (CHC) for further review. The CHC did not support the addition of these two lots, citing lack of historic association, features, or overall heritage significance. A month later, Council removed the properties from the Heritage Register.

OPTIONS

The Task Force recommends the following to Mayor and Council:

1. That Council endorse in principle the Vancouver Native Housing Society affordable housing project at 350 to 362 Fenton Street to allow the application to advance to the development review stage of the process.
2. That Council direct staff to advance the small sites affordable housing project for 350 to 362 Fenton Street through an expedited process as outlined in Attachment 4 – Proposed Expedited Review Process, including that staff suspend work on the following projects in 2020 to make necessary staff resources available for the project:
 - i. Welcome Centre / Neighbourhood Learning Centre;
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3. That in regard to the proposed Official Community Plan Amendment to the change the Land Use Designation in the Queensborough Community Plan for 350 to 362 Fenton Street, Council:

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 - b. Ministry of Transportation and Infrastructure;
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- iii. Not pursue consultation with:
 - a. Board of the Regional District in which the area covered by a plan is located (Metro Vancouver);
 - b. any greater boards or improvement districts, as none are considered to be affected by this application;
 - c. any other provincial or federal agency, as none are considered to be affected by this application;
 - d. Greater Vancouver Sewerage and Drainage District Board; and,
 - e. Councils of immediately adjacent municipalities;

4. That Council direct staff to advance the small sites affordable housing project for 2035 London Street and 2038 Ninth Avenue with the objective of this being shovel-ready for the next BC Housing funding in-take process, anticipated in 2022, and report back to Council once research into the history of the site is complete.
5. That Council provide staff with other direction.

Staff recommends options 1, 2, 3, and 4.

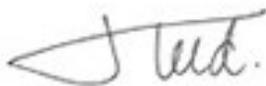
ATTACHMENTS

- Attachment 1: Summary of the Selected Sites
- Attachment 2: Proposal Evaluation Criteria
- Attachment 3: Summary of the History of 2038 Ninth Avenue
- Attachment 4: Proposed Expedited Review Process

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Approved for Presentation to Council



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