

REPORT

Development Services

To: Mayor Cote and Members of Council **Date:** September 27, 2021

From: Emilie K Adin,
Director of Development Services **File:** 13.2680.20

Item #: 2021-371

Subject: Crisis Response Bylaw Amendments: Bylaws for Consideration of First Reading and Proposed Engagement Approach for Approval

RECOMMENDATION

THAT Council approve the proposed Public Engagement Approach, as described in this report, for three separate but closely related projects that are being bundled together as the *Crisis Response Bylaw Amendments*;

THAT Council give consideration to First Reading of the following six Bylaws:

1. Official Community Plan Amendment Bylaw (350-366 Fenton Street) No. 8281, 2021
 2. Zoning Amendment Bylaw (350-366) Fenton Street) No. 8282, 2021
 3. Official Community Plan Amendment Bylaw (60-68 Sixth Street) No. 8283, 2021
 4. Zoning Amendment Bylaw (60-68 Sixth Street) No. 8284, 2021
 5. Official Community Plan Amendment (City-wide Crisis Response) No. 8285, 2021
 6. Zoning Amendment Bylaw (City-wide Crisis Response) No. 8286, 2021
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PURPOSE

To present to Council:

- 1) a thorough rationale for the crisis response bylaw amendment;
- 2) a proposed Public Engagement approach for Council consideration and potential approval;

- 3) six bylaws (three amendments to the Zoning Bylaw and three amendments to the Official Community Plan) for consideration of First Reading.

Proposed bylaw amendments would enable urgent housing and time-sensitive crisis services, including opportunities for an affordable housing project at 350-366 Fenton Street, and a supportive housing project at 60-68 Sixth Street.

EXECUTIVE SUMMARY

The BC government will from time to time declare a state of emergency or a public health emergency across the entire province or in an area of the province. There are also widely recognized crises affecting the Metro Vancouver area, such as the affordable housing crisis, and the extreme weather events that are caused by climate change. In relation to the Affordable Housing Crisis and the Homelessness Crisis, the City is working to provide a coordinated response to addressing business and resident concerns related to homelessness, and working with senior levels of government to develop strategic responses, additional emergency shelter capacity and new supportive and non-market housing opportunities.

There are several imminent funding opportunities by senior levels of government that would enable affordable and supportive housing projects at 350-366 Fenton Street and 60-68 Sixth Street. The tight timelines associated with these grant applications reflect the understanding by senior levels of government that the homelessness and affordable housing crises have been exacerbated by the global pandemic.

Staff have also identified a means by which urgent and time-sensitive needs relating to the current pandemic, the recent fires and heat waves, the Provincial Opioid Crisis, and the Regional Homelessness Crisis – and any other future crises – could be met more readily by successful adoption of some general bylaw amendments. The Crisis Response Bylaw Amendments being proposed will allow the City to be more nimble in responding to identified crises.

In relation to the projects proposed at 350-366 Fenton Street and 68 Sixth Street, the public engagement processes for these two projects have been necessarily abbreviated in order to meet senior government funding deadlines. This is not an ideal approach to engaging with the community about crisis response, nor more generally about land uses that generate social benefit. This is the rationale behind the future-oriented crisis response bylaw amendments (i.e., Bylaws 8285 and 8286), which would ensure a nimble response but also different dialogue opportunities with the community in relation to urgently needed services and land uses that arise in the future.

BACKGROUND

On September 13, 2021, Council passed the following resolution:

***THAT** Council direct staff to bundle development review of several Crisis Response Bylaw Amendments, with the goal of fast-tracking these review processes, and with the intention of better meeting current and near-future funding opportunities;*

***THAT** Council direct staff to draft Crisis Response Bylaw Amendments, including bylaws to enable envisioned projects at 350-366 Fenton Street and 68 Sixth Street, to present for first reading at a future Council meeting;*

***THAT** in regard to the proposed Official Community Plan Amendments, Council:*

- 1. Give consideration to the requirements of Section 475 and 476 as well as other relevant sections of the Local Government Act;
- 2. 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
 - Tseil-Waututh Nation;
 - b. Ministry of Transportation and Infrastructure;
 - c. The Board of Education of School District 40;
- 3. 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;*

More background on the issues and opportunities that inform this work, and more information about the three projects being proposed, can be found in the September 13, 2021, report.

DISCUSSION

Crises Affecting Our Community

As seen during the response to the COVID-19 pandemic, the BC government may declare a state of emergency or a public health emergency during times of urgent crisis. There are also other widely recognized crises affecting the Metro Vancouver area, such as the affordable housing crisis, extreme weather events caused by climate change, and the opioid crisis. In relation to the latter, the City is not only working to provide a coordinated response to addressing business and resident concerns related to homelessness and opioid addiction, but is also working with senior levels of government to develop strategic responses, health contact centres, additional emergency shelter capacity and new supportive and non-market housing opportunities. A detailed needs assessment, including references to below noted stats, is included as Attachment 1.

Climate Crisis

The extreme heat events of late June 2021, which set all-time record temperatures for many locations in Western Canada, resulted in 445 deaths in BC, including 38 deaths in New Westminster. Seniors and people living in apartments were disproportionately impacted; 34 out of the 38 deaths in New Westminster were in multi-family housing. According to the Intergovernmental Panel on Climate Change (IPCC), it is very likely that extreme heat waves will become much more common due to climate change and global warming.

Similarly, the wildfire situation in BC and around the world has become increasingly severe. The three years on record with the highest amount of land burned by wildfires in British Columbia have occurred within the past five years. The wildfires in 2021 in BC also resulted in approximately 32,000 people displaced during the course of the wildfire season. According to the IPCC, there will be continued increases in wildfires in Western North America as the climate warms. Although most of the wildfire activity in BC has been in the Interior and not in Metro Vancouver, the air quality impact from smoke has been significant. During certain days in September 2020 and again in August 2021, Metro Vancouver had the worst air quality of any major world city due to wildfire smoke from the Western USA (in the case of 2020) and the Interior of BC and Washington State (in the case of 2021).

As hotter, drier summers are predicted to become the norm, the impacts from increased wildfire risks to parks, stress on City trees, and human health impacts will also increase. The direct and indirect impacts from climate-related events on human health and well-being are wide including respiratory issues, inability to seek refuge from extreme temperatures, less exercise from decreased outdoor activity, impact on outdoor workers, and mental health changes. Additionally, these impacts are not evenly distributed with some populations being disproportionately impacted: seniors, individuals experiencing or at risk of homelessness; lower income populations. Part of increasing our local resiliency is developing municipal capacity to ensure a nimble response to the increasing incidence of climate-related events and health emergencies, and prioritizing the consideration of these impacts to different populations.

Overdose Epidemic

Starting in the mid-2010s, increased concentrations of fentanyl and carfentanil in the illicit drug supply has resulted in increasing numbers of overdoses and deaths in BC and Canada. While various programs resulted in decreasing drug toxicity deaths in 2019, a sharp increase in drug toxicity deaths and drug toxicity overdoses occurred in 2020 and 2021, due to physical distancing requirements of the COVID-19 pandemic, the social isolation and mental health impacts of the pandemic, as well as an increasingly toxic drug supply. Indigenous individuals and those experiencing homelessness are particularly at risk for drug toxicity deaths¹, with both populations experiencing increased rates over the general population.

In 2020, 35 New Westminster residents died of drug toxicity, compared with 20 in 2019. Based on January to June 2021 data, both New Westminster (projected at 48 deaths for 2021) and BC (projected at 2,039 deaths for 2021) are on track for record high numbers of drug toxicity deaths in 2021. BC Ambulance attended 275 overdose events in New Westminster from January to June 2021.

COVID-19 Pandemic and Homelessness

The COVID-19 pandemic has taken a significant toll in BC: as of September 14, 2021, there have been 9,227 COVID-19 related hospitalizations in British Columbia, as well as 1,866 confirmed COVID-19 related deaths. According to the federal government, those who experience homelessness may be at higher risk of contracting COVID-19 or developing complications due to pandemic-related barriers to accessing regular services and resources. Furthermore, the report stated that those experiencing homeless may also be at higher risk of developing COVID-19 related complications, as a higher proportion report having an underlying chronic health condition compared to the general population. The Public Health Agency of Canada's report on how COVID-19 has particularly impacted Indigenous people across Canada found that Indigenous

¹ In 2020, First Nations people in BC were 5.3 times more likely to die of an overdose than the general population. A study from the BC Ministry of Public Safety and Solicitor General and the BC Coroner's Service in 2016 and 2017, found that 9% of all people who died from drug toxicity in BC in those years were homeless.

individuals have faced additional challenges, with the pandemic exacerbating existing issues of inadequate housing, homelessness and racism, along with a lack of cultural safety in the health care system.

Housing Affordability Crisis

Compounding the above two challenges is the housing affordability crisis. Housing affordability has been a challenge in New Westminster and Metro Vancouver long before the COVID-19 pandemic. According to the 2016 Census, 40.3% of tenant households in New Westminster spent 30% or more of their before-tax household income on housing costs. Finding non-market rental housing is difficult, with 562 households on the BC Housing Wait List for New Westminster as of June 2020.

For Indigenous residents of New Westminster, these challenges are compounded by higher poverty rates² and racism in the housing market³. For people experiencing homelessness in New Westminster, low incomes, a lack of supportive housing, and housing discrimination are significant barriers to housing.

In addition to the long-standing regional housing crisis, COVID-19 protocols created additional pressure by decreasing the number of housing options for residents, including couch-surfing and finding roommates.

Identification of Need

350-366 Fenton Street

Currently there is no existing Indigenous-specific housing locally, despite New Westminster having 2,295 Indigenous residents according to the 2016 Census. Regionally, there is currently no existing Indigenous-specific housing in Metro Vancouver outside of First Nations Reserves, the City of Surrey and the City of Vancouver, although 61,455 Indigenous residents reside in Metro Vancouver according to the 2016 Census.

68 Sixth Street

Studies have shown homelessness costs more to society compared with providing housing to individuals experiencing homelessness. A 2005 study by Pomeroy in Canada found that the cost of unsheltered homelessness cost \$66,000 to \$120,000 per year per unsheltered person (from higher rates of hospitalization and incarceration) whereas providing supportive and transitional housing cost \$13,000 to \$18,000 per year per person. With medical systems currently under significant pressure due to COVID-19 and the overdose epidemic, providing supportive housing may help to

² According to the 2016 Census, 20.1% of Indigenous residents in New Westminster lived in low-income households in 2015 (based on LIM-AT), compared with 15.6% of all residents.

³ According to a survey by the Native Women's Association of Canada, 44.6% of participants in the survey in Canada had experienced discrimination from a landlord when trying to rent.

alleviate pressure on the health care system due to lower hospitalization rates resulting from housing people experiencing homelessness.

Policy Context and Project Partner Information

There are many policies that actively support the City's advancement of the Crisis Response Bylaw Amendments. A full listing of all of these enabling and action-focused policies is Attachment 1 to the report.

The City's project partners have prepared correspondence and information sheets to distribute to project neighbours and community members. See Attachment 2 to the report.

Proposed Public Engagement Approach

The City is committed to increased, early public consultation; however, the Crisis Response Bylaw Amendments need to be processed in an expedited manner to meet funding requirements.

As a result of these requirements, staff have developed a series of public engagement events that aim to provide the community with multiple opportunities to gather information, ask questions and provide feedback on the proposed projects.

The following events and activities are proposed:

- Virtual information sessions –
 - Crisis Response, Sixth Street and Fenton Street – October 5, 2021
 - 60-68 Sixth Street – October 19, 2021
 - 350-366 Fenton Street – October 20, 2021
 - Crisis Response, Sixth Street and Fenton Street – October 21, 2021;
- Advertising via local newspaper and City's social media channels;
- Be Heard New West platform to share information with and collect feedback from community members;
- Online comment form – October 1 to October 24, 2021;
- Postcards mailed to residents within 100 metres of 350-366 Fenton and 60-68 Sixth Street;
- Emails to Residents Associations and other local stakeholder groups such as Business Improvement Associations, etc;
- Letters sent to First Nations, Ministry of Transportation and Infrastructure; the Board of Education of School District 40.

As with standard practice, community members can also submit comments via email, mail, or request a one-to-one meeting with City staff.

Bylaws Presented for Consideration of First Reading

A municipality's Development Review Procedures change over time. The City's Development Review Procedures have changed in different ways over the past three years, often for different reasons:

- To gain efficiencies when application review timelines were unduly increasing;
- To address the constraints, challenges and opportunities created by the COVID-19 pandemic;
- To support the corporate effort to streamline City advisory committees and to make best use of the volunteer committee members' time; and, most importantly,
- To add early public engagement opportunities, i.e., early enough that designs could still be amended and concerns could more readily be mitigated; (this, as opposed to the public hearing process set out by Provincial statute, when projects are generally "locked in" in terms of not being easily amended without the need for an additional public hearing to be held).

With respect to the Crisis Response Bylaw Amendments, staff propose a departure from typical review procedures toward fast-tracking. Key among these departures from procedure is Council's early consideration of First Reading of the bylaws, prior to the bulk of public engagement occurring. These proposed changes to typical development/project review procedures arise for a number of reasons:

- In the interest of moving quickly to meet current and near-future funding deadlines;
- In the interest of moving quickly to address the scale of current needs and crises in the New Westminster community;
- In the interest of moving quickly given the increasing incidence of crises that City residents and businesses are facing; crises that are global, provincial, regional, local;
- To demonstrate the City's deep commitment to partnering with other levels of government to address crises that are affecting our businesses and our residents; and
- To ensure that, during the shortened time frame for public engagement on the Crisis Response Bylaw Amendments, the public is really clear on what exactly is being proposed, as they have seen the actual bylaws that have been drafted and are under active consideration by Council.

In view of all that is outlined above, staff recommend that Council give First Reading to the following bylaws, included as attachments to this report:

- **Attachment 3:** Official Community Plan Amendment Bylaw (350-366 Fenton Street) No. 8281, 2021

- **Attachment 4:** Zoning Amendment Bylaw (350-366 Fenton Street) No. 8282, 2021
- **Attachment 5:** Official Community Plan Amendment Bylaw (60-68 Sixth Street) No. 8283, 2021
- **Attachment 6:** Zoning Amendment Bylaw (60-68 Sixth Street) No. 8284, 2021
- **Attachment 7:** Official Community Plan Amendment (City-wide Crisis Response) No. 8285, 2021
- **Attachment 8:** Zoning Amendment Bylaw (City-wide Crisis Response) No. 8286, 2021

NEXT STEPS

On September 13, 2021, Council directed staff to bundle the review of several Crisis Response Bylaw Amendments, with the goal of fast-tracking these review processes, and with the intention of better meeting current and near-future funding opportunities.

The following application review process for the Crisis Response Bylaw Amendments is proposed:

1. Preliminary report to Council (Sept 13, 2021);
2. Project information provided to external community members (Residents' Association, Business Association, etc.); (September 20-24, 2021);
3. Advisory Planning Commission consideration (September 21, 2021);
4. Council consideration of First Reading of Zoning and OCP amendment bylaws (**we are here**);
5. City and project-partner consultation; (October 5 – 24, 2021);
 - a. Crisis Response – October 5, 2021
 - b. 60-68 Sixth Street – October 19, 2021
 - c. 350-366 Fenton Street – October 20, 2021
 - d. Crisis Response – October 21, 2021
6. Council consideration of Second Reading of Zoning and OCP amendment bylaws; (anticipated November 15, 2021)
7. Public Hearing and Council Consideration of Third Reading of the Zoning and OCP amendment bylaws (to be determined);
8. Adoption of Zoning Amendment (to be determined).

FINANCIAL IMPLICATIONS

In 2021 the Fenton Property is vacant land, and therefore, does not draw on current city services, nor contribute to the City's Financial Plan via Property Taxes. The 68 Sixth street property currently zoned as a Class 6 and the City is collecting ~\$40K annually for Property Taxes based on the assessed land value of \$2.65M.

An OCP amendment and a rezoning for the Fenton Street properties from single-family zoning in order to enable affordable Indigenous housing will not only accelerate the City's ability to address the Housing Crisis, but will also add density and increased property taxes as a result of the development of multiple units.

Alternatively, the OCP amendment and rezoning for 60-68 Sixth Street to enable the proposed supportive housing project will result in increased density via development of housing units and wraparound services, however, the assessed value of the property will become \$1. Therefore, this reduced value of the land will trigger a net reduction in property taxes of ~\$40K dollars immediately, with some impact to the long range financial plan. However, staff acknowledge the current draw on other City services, such as bylaw enforcement, Fire and Police services, due to addressing issues related to homelessness and the opioid crisis. It is anticipated that the net financial impact will be to improve the current City costs incurred in those service areas. Therefore, staff will work to manage the net financial impact within existing budgets as we move the dial on addressing the homeless and opioid crises.

Subject to the approval of the proposed OCP and zoning bylaw amendments, staff will continue working with Vancouver Native Housing Society to develop the concept plan for the project at 350 - 366 Fenton Street. The grant submission was for ~\$32M, which is anticipated to be 100% of the on-site development costs required for this project. While the City will be the recipient of the funding, these dollars will largely flow through to VNHS to execute the development of the project.

Staff from BC Housing and the City are currently working through the project concept development stage for 60-68 Sixth Street and anticipate generating an approximate project value in October/November 2021.

For both of these projects, the City and our partners (VNHS and BC Housing) are relying on senior government funding to enable the development of these affordable housing units; the City cannot afford these projects without significant funding assistance. As a result, there is an expectation from senior government that the City will expedite processing of municipal bylaw amendments and permitting.

INTERDEPARTMENTAL LIAISON

The Senior Management Team has been consulted in the drafting of this report.

Staff working on the Affordable Housing Portfolio is comprised of staff from Parks and Recreation, Finance, Engineering Services, Electrical, Development Services, Mayor's

Office and Office of the CAO. Policy and projects are also reviewed by staff in the Staff Committee of Affordable Housing, Senior Management Team and Child Care and Affordable Housing Task Force.

OPTIONS

The following options are presented for Council’s consideration:

- 1. That Council approve the proposed Public Engagement Approach, as described in this report, for three separate but closely related projects that are being bundled together as the *Crisis Response Bylaw Amendments*:
- 2. That Council give consideration to First Reading of the following six Bylaws:
 - 1. Official Community Plan Amendment Bylaw (350-366 Fenton Street) No. 8291, 2021
 - 2. Zoning Amendment Bylaw (350-366 Fenton Street) No. 8282, 2021
 - 3. Official Community Plan Amendment Bylaw (60-68 Sixth Street) No. 8283, 2021
 - 4. Zoning Amendment Bylaw (60-68 Sixth Street) No. 8284, 2021
 - 5. Official Community Plan Amendment (City-wide Crisis Response) No. 8285, 2021
 - 6. Zoning Amendment Bylaw (City-wide Crisis Response) No. 8286, 2021
- 3. That Council provide staff with alternative direction.

Staff recommends Options 1 and 2.

ATTACHMENTS

- Attachment 1 – Supportive Policies and Need
- Attachment 2 – Project partner materials
- Attachment 3 – Official Community Plan Amendment Bylaw (350-366 Fenton Street) No. 8281, 2021
- Attachment 4 – Zoning Amendment Bylaw (350-366 Fenton Street) No. 8282, 2021
- Attachment 5 – Official Community Plan Amendment Bylaw (60-68 Sixth Street) No. 8283, 2021
- Attachment 6 – Zoning Amendment Bylaw (60-68 Sixth Street) No. 8284, 2021
- Attachment 7 – Official Community Plan Amendment (City-wide Crisis Response) No. 8285, 2021
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