

# Alternative Housing

## FACT SHEET



HOMELESSNESS

EMERGENCY SHELTER

TRANSITIONAL HOUSING

SUPPORTIVE HOUSING

COMMUNITY HOUSING

AFFORDABLE HOUSING

MARKET HOUSING

The Region of Waterloo believes communities thrive when everyone has a place to call home. In the Waterloo region, responding to the growing demand for affordable housing is becoming increasingly focused on innovative housing solutions. More specifically, the focus has been on the efficient, cost-effective response provided through alternative housing development. This **Alternative Housing Fact Sheet** shares information about:

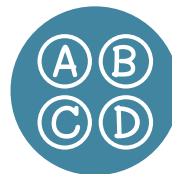
- What alternative housing is;
- Different types of alternative housing;
- Local development of alternative housing; and
- Local process of developing alternative housing.

It is important to note that this fact sheet is focused on the built form of alternative housing, including information describing the appearance of the dwellings, such as the type and size of the units, as well as massing and location. Considerations such as occupied use and associated affordability are outside of the scope of this fact sheet.



### What is alternative housing?

Alternative housing can look similar to traditional housing, but the development process, materials, and designs are often different. Alternative housing is considered to be fully-serviced, self-contained homes often produced through innovative, prefabricated designs or non-traditional construction methods. The homes are often constructed off-site and are delivered, in whole or in parts, and installed on site. The homes are typically smaller, and are more energy-efficient and cost-effective than traditional housing. The cost of alternative housing varies depending on the type (apartment, townhomes, single detached etc.), size (square footage, number of bedrooms), manufacturer, and building process. Ongoing servicing and other operating costs also impact the total cost of development.



### Different types of alternative housing

For the purpose of this fact sheet, alternative housing is considered, but not limited to:

- Tiny or Micro Homes
- Modular Homes
- Container Homes

Temporary structures to address homelessness, such as bunkies, tents, or other temporary shelters, are out of the scope of this fact sheet. Additionally, other types of alternative housing that are not suitable for year-round living (e.g., due to servicing or property restrictions) are also out of scope.

The following provides a brief summary of the key differences between the types of alternative housing covered in this fact sheet:

Alternative Housing Type	Typical Size	Distinguishing Feature(s)
<b>Tiny or Micro Homes</b>	188-640 square feet (tiny); 600-1000 square feet (micro)	Stand alone structure, can be added to existing property (if permitted by zoning).
<b>Modular Homes</b>	Varies depending on housing form	Can be constructed into any alternative housing form, including tiny homes and container homes, as well as townhomes or apartments.
<b>Container Homes</b>	Less than 350 square feet	Constructed from metal shipping containers. Can also be constructed into any alternative housing form.

## ■ Tiny and Micro Homes

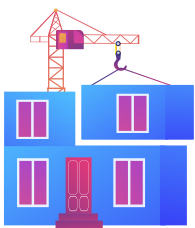


As defined by the Province, a tiny home, also known as a coach house, is a small, private, and self-contained home intended for year-round use. They include living and dining areas, a kitchen, bathroom facilities, and a sleeping area. They must be fully-serviced and built at a minimum of 188 square feet. Tiny homes are not generally built larger than 640 square feet. Micro homes are small-scale homes that are slightly larger than tiny homes. They feature modern open-concept designs that include advanced energy-saving engineering systems, and are generally 600 to 1,000 square feet in size.

Tiny and Micro homes are typically energy-efficient, and must adhere to the Ontario Building Code. The homes can have one to three bedrooms. Builders must work with the local municipality to determine that minimum size of each unit based on the number of bedrooms.

The cost to construct tiny homes ranges from \$26,000 to \$90,000 per unit, while the cost to construct micro homes ranges from \$100,000 to \$200,000 per unit. Similar costs for servicing apply to both tiny and micro homes at between \$15,000 to \$20,000 a unit.

## ■ Modular Homes



Modular homes are prefabricated buildings that consist of repeated sections also known as modules. Modular homes are constructed in sections under controlled plant conditions before being delivered to a

given site. Modular homes can be constructed in any housing form, including tiny or micro homes, single-detached dwellings, semi-detached dwellings, townhomes, or apartments. Modular homes can also be constructed using metal shipping containers as is the case with container homes. Modular homes are generally more energy-efficient than homes built by traditional construction.

Generally, modular buildings cost less to construct than a traditional unit. The cost of modular construction varies depending on the size, the manufacturing company, and other factors such as soft costs. The cost of manufacturing modular homes can range between \$165 to \$185 per square foot. Modular buildings generate cost savings from energy efficiencies. Modular homes are generally faster to construct, reducing the construction timelines and bringing units to market more quickly.

## ■ Container Homes



Container homes are metal shipping containers converted into a residential dwelling unit. Container homes can vary in size, however, and are typically less than 350 square feet.

The layout is an open concept with a living, bathroom, and sleeping area. Container homes must comply with the Ontario Building Code. Container homes can be made into any housing type, including as a stand alone structure as in tiny or micro homes, or as homes using an apartment or townhome style design. The cost to transform a shipping container into a residential unit is approximately \$50,000, which will vary depending on the concept proposed.





## Local development of alternative housing

The 10-Year Housing and Homelessness Plan (10-Year Plan) 2014-2024 identifies

new opportunities to create affordable housing, including developing an appropriate range of housing options. More specifically, Action 3.1 provides direction to “work with housing service providers, community partners, and area municipalities to develop innovative housing solutions to meet the needs of diverse populations.” To that end, Region staff has prioritized rapid learning and capacity building around alternative housing development, including facilitating an alternative housing development on a Waterloo Region Housing site in Cambridge. In response to this learning and emerging funding opportunities, and with the collaboration of area municipalities, community partners and the development community, two additional projects have been prioritized for alternative housing development in the region. All three projects involve alternative built forms and will be rapidly developed with occupancy planned for the end of 2021. The focus on alternative housing has informed an efficient, financially sustainable response to identified community needs for affordable and supportive housing.



## Local process of developing alternative housing

The general process of developing alternative housing includes the creation

of a concept plan. Once complete, staff would conduct formal pre-consultation meetings with area municipal staff to determine requirements applicable to any given development. Planning applications may be required for any form of development, which will vary depending on the proposal. Any form of development must be fully serviced and comply with the Ontario Building Code. Area municipalities have different official plans and by-laws that impact the development of alternative housing.

