



# A9

## ADMINISTRATIVE REPORT

Report Date: December 1, 2009  
Contact: Jill Davidson  
Contact No.: 604.873.7670  
RTS No.: 08469  
VanRIMS No.: 08-2000-20  
Meeting Date: December 15, 2009

TO: Vancouver City Council  
FROM: Managing Director of Social Development  
SUBJECT: Grant to the Mental Health Commission of Canada - Bosman Hotel (1060 Howe Street)

### ***RECOMMENDATION***

THAT Council approve a grant of \$500,000 to the Mental Health Commission of Canada for the use of the Bosman Hotel (1060 Howe) as supportive housing with the source of funds to be the Affordable Housing Reserve. The payment of the grant will occur in two phases, the first payment of \$250,000 will be made by July 31, 2010 following confirmation from the Mental Health Commission of Canada that half of the tenants have moved in and the second payment of \$250,000 by January 31, 2012 following confirmation from the Mental Health Commission of Canada that the building continues to provide supportive housing, all to the satisfaction of the Managing Director of Social Development.

### ***GENERAL MANAGER'S COMMENTS***

The General Manager of Community Services RECOMMENDS approval of the foregoing.

### ***CITY MANAGER'S COMMENTS***

The General Manager RECOMMENDS approval of the foregoing

***COUNCIL POLICY***The City's social housing priorities are: low and modest income families with children; seniors on fixed incomes or in need of support; Single Room Occupancy residents; and the mentally ill, physically disabled, and others at risk of homelessness. In June 2005 Council adopted the *Homeless Action Plan* which identifies three priorities to address homelessness: improved access to income, more supportive housing and expanded mental health and addiction services.

The Interim Housing Strategy was presented to Council on April 7, 2009. On April 23, 2009 Council unanimously passed a motion asking for all provincial parties to support the City's Interim Housing Strategy. The strategy seeks to bridge the gap between immediate needs and long-term solutions to homelessness.

The Vancouver Charter requires a resolution passed by not less than two-thirds of all Council members for Recommendation A.

### ***PURPOSE***

This report recommends that the City contribute \$500,000 to the Mental Health Commission of Canada for a supportive housing project at the Bosman Hotel (1060 Howe Street) with the source of funds for the City's contribution to be the Affordable Housing Reserve.

### ***BACKGROUND***

The City and Province are currently working to develop 1,500 units of social and supportive housing on 14 City-owned sites throughout the city. These units will be developed over the next two to five years. In the meantime, there is a significant gap in housing units available to the 1,600 people who are homeless in the city on a nightly basis.

In response, the City has developed an Interim Housing Strategy to bridge the gap between immediate needs and long-term solutions. This strategy was presented to Council on April 7, 2009. On April 21, 2009 Council unanimously passed a motion asking for all provincial parties in the May 2009 election to commit to supporting the Interim Housing Strategy. The Power Point presentation detailing the Interim Housing Strategy is available on the Housing Policy website at <http://vancouver.ca/commsvcs/housing/pdf/09apr7interimhousingplan.pdf>.

The City proposes to implement the Interim Housing Strategy in partnership with the provincial government, the Streethome Foundation, non-profit service providers and other key partners. Earlier this fall, Council approved a grant of \$500,000 to BC Housing for renovations to Dunsmuir House as part of the Interim Housing Strategy.

The City and its partners have identified the Bosman Hotel as an interim housing project that can assist in addressing homelessness.

### ***DISCUSSION***

Background: The Mental Health Commission of Canada (MHCC) is undertaking a multi year research demonstration project to assess ways of supporting homeless people with mental illness to increase their quality of life.

The project is examining interventions which provide a variety of levels of supports and in two different housing situations - in units in scattered sites and in a congregate building. The Bosman Hotel has been selected as the congregate building. MHCC is requesting the City provide a grant of \$500,000 as indicated in the attached letter in Appendix A.

The Bosman is currently operating as a tourist hotel and the owners have agreed to lease the building starting May 2010 through March 2013. The owners plan to redevelop the site in the next 3-5 years as a mixed-use development.

A development permit application (DE413030) has been processed and the Development Permit Board gave conditional approval in October. Public consultation occurred as part of permitting and project information was provided and community feedback obtained.

Project: The Bosman has 102 units and will be managed as supportive housing by PHS Community Services Society (PHS). Each of the rooms has a private bathroom. There will also be food services provided daily in a common dining room. Resident amenity space will be provided in the dining room and lounge spaces.

The Bosman will provide supportive housing for individuals who have not been able to access housing, who are in need of a stable environment, and who have been living outside or in shelters. All residents will be adults dealing with mental health issues and some may also face substance abuse challenges or other health issues. Many of the residents will come from the Downtown South area and others will come from other areas of the city. Everyone living at the Bosman will be assessed and supported by a team of health professionals throughout the time they are living in the Bosman. The ongoing assessment and support services will be provided by a combination of on-site and community-based services. These assessments will form the basis of the services to be provided and the individual programs set up for residents to assist them toward more independent living.

#### Support Services:

- Support services and programs will be designed around the assessed needs of each individual living at the Bosman.
- They will focus on physical, mental health, addictions and daily living supports.
- They will create connections for people through a combination of in-house services and appropriate outreach services.
- A daytime clinical psychologist will co-ordinate a clinical support team including nursing care, a medical doctor, a psychiatrist, and addictions and mental health support workers.
- Other daytime staff will include a Project Director, cleaning, maintenance and staff responsible for security,
- At all times there will be a minimum of 2 staff 24 hours a day, 7 days a week.

PHS will create a community liaison process and work with interested community stakeholders, to ensure that the residence has minimal impact on the surrounding neighborhood and is a good neighbour.

In addition PHS will establish a 24/7 site contact person and phone number and post this information at the entrance door.

Timing: The MHCC research demonstration project is of a 4 year duration starting in October 2009 when study participants will begin to be accepted. There is a lag between referral start and the availability of the Bosman in May 2010. BC Housing has agreed to provide the project with 50 housing units within their SRO stock during this period.

The lease at the Bosman ends in March 2013 and BC Housing has made a commitment to working with residents of the Bosman and the staff of PHS Housing Society throughout the last year of the project to ensure that housing transition plans are in place for people living at the Bosman.

Financial Partnership: A financial partnership has been developed with the involvement of MHCC, Streetohome, Vancouver Foundation, and the City of Vancouver, subject to approval of this grant request. A portion of the revenue will also come from the tenants through the shelter portion of income assistance. BC Housing has provided in-kind contributions through facilitating the lease arrangements with the owners, providing SRO housing for the tenants for the period in advance of the Bosman being available, and transition plans for tenants at the end of the lease.

The budget and contributors to the Bosman are as follows:

Total Expenses		\$8, 167,734
Revenues		
MHCC	\$5,405,234	
Shelter Portion of Income Assistance	\$1,162,500	
Streetohome	\$ 825,000	
Vancouver Foundation	\$ 275,000	
City of Vancouver	\$ 500,000	
Total Revenues		\$8,167,734

It is recommended that Council approve a grant of \$500,000 for this project as it is consistent with Council's housing policies, particularly the Interim Housing Strategy. Further, the project is supported by other key partners, including senior governments and private foundations.

#### ***FINANCIAL IMPLICATIONS***

Recommendation A provides a grant of \$500,000 from the Affordable Housing Reserve to the Mental Health Commission of Canada for supportive housing at the Bosman Hotel (1060 Howe Street). The payment of the grant will occur in two phases, the first payment of \$250,000 will be made by July 31, 2010 following confirmation from the Mental Health Commission of Canada that half of the tenants have moved in and the second payment of \$250,000 by January 31, 2012 following confirmation from the Mental Health Commission of Canada that the building continues to provide supportive housing, all to the satisfaction of the Managing Director of Social Development.

#### ***SOCIAL IMPLICATIONS***

Recommendations A will result in the addition of approximately 100 supportive housing units for people who are homeless over the next 3 years. During this time, tenants will have the opportunity to stabilize their lives and receive support services for mental health and addictions issues.

#### ***CONCLUSION***

The Bosman Hotel is another opportunity to implement the Interim Housing Strategy while awaiting the completion of supportive housing projects currently under construction in the surrounding community. This project has been initiated by MHCC and provides a unique opportunity to

both provide needed supportive housing, but also research and document different supportive housing models. The City's participation will augment a partnership with MHCC, Streethome, Vancouver Foundation and BC Housing and it is recommended that the City commit \$500,000.

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To: Jill Davidson, City of Vancouver

From: Catharine Hume, Mental Health Commission of Canada

Date: November 26th, 2009

Re: Request for a grant from the City of Vancouver of \$500,000 over four years to secure the Bosman Hotel for Supported Housing as part of the MHCC At Home/Chez-Soi Project

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#### Summary

The Canadian multi-site Research Demonstration Projects in Mental Health and Homelessness is supported by a funding agreement between Health Canada and the Mental Health Commission of Canada (MHCC). This 4-year research demonstration project is designed to further our knowledge about what works best to support people with mental illness who are homeless secure housing and increase their quality of life.

The project involves the implementation of two Housing First interventions:

1. Housing subsidies with high intensity supports for 100 people with high needs
2. Housing subsidies with moderate intensity supports for 100 people with moderate needs

The MHCC also allocated resources for locally defined interventions. Through a series of meetings with the Health Authority, BC Housing, the City of Vancouver, Streethome and service providers, it was agreed that our local intervention should build on our existing Housing First approach which includes a building with multiple units and on-site supports. When proposed, it was understood that this intervention would be contingent on securing a building(s) with 100 units and would require additional funding. The MHCC approached Streethome, BC Housing and the City of Vancouver prior to proposal submission and all expressed support for the project and interest in exploring partnerships as the project developed. All people supported and housed through the Research Demonstration Project must meet two screening criteria: homelessness and presence of a mental illness.



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The Bosman Hotel has been identified by BC Housing as a possible site for our local intervention. The Bosman has 102 units and is currently operating as a tourist hotel. The owners are willing to lease for 2 years and 11 months commencing May 2010 while the project formally will begin accepting referrals in October. Given this lag between referral start and the availability of the Bosman, the MHCC is actively seeking interim housing options from October 2009-May 2010 with both private owners and BC Housing. The MHCC funded research and the property lease will end March 31, 2013, by which time the building must be vacant. 100 people will be randomized and then referred to this housing intervention and supported to maintain their housing through to the beginning of 2013 when transitions to other housing would begin with the support of BC Housing.

The MHCC has approved resources for this intervention including annual housing subsidies and service and support costs (see Appendix A budget). The Portland Hotel Society has been identified as the service lead for this intervention and is working with researchers and clinicians to further refine the support model. The proposed support model is built around a team of primary care practitioners.

A building inspection has been conducted by the City and required upgrades were initially estimated at \$325,000. A subsequent inspection identified an additional \$83,161 in required work for a capital cost total of \$408,161. Early in the process, city staff agreed to recommend a grant totalling \$500,000 to City Council for the duration of the project.

The Streethome Foundation has approved a grant totalling \$875,000 over the course of the four years of the project and the Vancouver Foundation has approved a grant totalling \$225,000 over the course of the four years of the project. These grants, in addition to the anticipated grant of \$500,000 from the City of Vancouver, will provide the project with the resources required to proceed. The attached budget has built in a grant totalling \$500,000 from the City.

BC Housing has agreed to provide the project with a total of 50 housing units within their SRO stock for the period of October 2009-May 2010 which allows the research project to randomize people to all 3 service arms of the project beginning in October (see attached BC Housing letter). Over the winter, staff from the Portland Hotel Society will meet with and discuss a move to the Bosman with people who are housed in SROs from October 2009-March 2010. BC Housing has also made a commitment to working with residents of the Bosman and staff of the Portland Hotel Society throughout the last year of the project to ensure that housing transition plans are in place for people living at the Bosman.

This local intervention represents an innovation that builds on our existing Housing First approach. The demonstration project provides a valuable opportunity for us to further refine this approach and evaluate its effectiveness in addressing homelessness.



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#### Current Status

In early October, the development permit was conditionally approved. Following the conditional approval the Portland Hotel Society has signed a lease with Prima Properties which will take effect in May 1, 2010 and once the conditions are met. It is anticipated that the first 25 people will move into the Bosman by mid May 2010, with an additional 25 moving in by early June 2010, a further 25 moving in in July 2010 and a final 25 people moving in in August 2010.

Individuals have begun to be randomized into the congregate site and, as of the week of November 9<sup>th</sup>, a total of 4 people had moved into an SRO who were randomized to the congregate site. We anticipate that approximately 40-50 will be randomized to the congregate between mid October 2009 and the end of March 2010.

The City has to date been very supportive of the project and we very much appreciate the collaboration and joint problem-solving that has been demonstrated at a number of levels since the inception of the project.

We are respectfully requesting that staff proceed with a recommendation to City Council for a grant totalling \$500,000 for the Bosman to ensure that we are able to proceed with the project.

Please feel free to contact me at any time to discuss further at 604-688-2204; cell 604-617-3978 or via email at [catharineh@vancouverfoundation.ca](mailto:catharineh@vancouverfoundation.ca)



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MHCC Budget for Bosman Hotel

Total Expenses \$8,167,734

Revenues

MHCC	\$5,405,234
Shelter Portion of Income Assistance	\$1,162,500
Streetohome	\$ 825,000
Vancouver Foundation	\$ 275,000
City of Vancouver	\$ 500,000

Total Revenues \$8,167,734



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July 29, 2009

Catharine Hume  
Vancouver Site Coordinator  
Research Demonstration Project in Mental Health and Homelessness  
Mental Health Commission of Canada  
1200 – 555 West Hastings Street  
Box 12132 Harbour Centre  
Vancouver BC V6B 4N6

Dear Ms. Hume: *C. Hume*

Thank you so much for meeting with Shayne Ramsay, Chief Executive Officer of BC Housing, Liz Evans, Executive Director of the Portland Hotel Society and myself last week to discuss BC Housing's involvement and commitments regarding housing for study participants both prior to, and at the end of the project.

Further to our discussions, I can confirm that BC Housing will make 45 to 50 transitional units available for the people who will be randomized in to the congregate care project. We will ensure these units are available from October 2009 until March 2010, or until the location for the congregate care project is ready to be occupied. The location of these transitional units is still being determined, and we will work with you to ensure that the location meets the needs of the project, considering the location and the needs of the population.

In addition, at the end of the project, we will work with the Portland Hotel Society to develop a transition plan for the participants in the congregate care project, in order to assist the participants to find permanent housing suited to their needs.

BC Housing is pleased to make this contribution to support the Mental Health Commission congregate care project in Vancouver. We share in the goal of finding housing solutions for people experiencing homelessness who have mental illnesses and addictions.

Sincerely,

Margaret McNeil  
Vice President, Operations

pc: Shayne Ramsay, CEO, BC Housing  
Liz Evans, Executive Director, Portland Hotel Society  
Jae Kim, President, Streethome  
Dale McMann, Regional Director, Vancouver Coastal Region  
Armin Amrolia, Director Regional Development Lower Mainland

